



CABINET OFFICE
WELLINGTON

CONFIDENTIAL

25 October 1978

GENERAL MANAGER'S OFFICE
N.Z.R.
26 OCT 1978
17/4650/1

MEMORANDUM FOR:

Minister of Railways

Copies to:

Minister of Finance
Rt Hon J B Gordon

TAPANUI BRANCH LINE

At yesterday's meeting of Cabinet you were invited by your colleagues to report to the next meeting of Cabinet on the condition of the Tapanui branch line and the alternative means of transport if the line were closed.

[Handwritten signature]

Secretary of the Cabinet

A
26/10/78
not implemented (mainly report to MoT for as decision)

*27/10
Reeds
APP*

GENERAL MANAGER, RAILWAYS

For draft reply.
For reply by direction.
For comment.

for 25/10 a.m. please
Cabinet will probably not meet until 27 November.

AMG/h/r

25-10-78



CABINET OFFICE

Prime Minister's Department,
Parliament Buildings,
Wellington.

CONFIDENTIAL

CM 78/46/35

Minister of Railways

Copy to:
Minister of Finance

CLOSURE OF TAPANUI BRANCH RAILWAY

At the meeting on 18 December 1978 Cabinet:

- a approved the closure of the Tapanui Branch railway line;
- b noted that no subsidy for road freight in this area should be necessary, and
- c authorised you to make a press statement.

CP (78) 1188 refers.

Secretary of the Cabinet

CONFIDENTIAL



DEPARTMENTAL BUILDING, STOUT ST., WELLINGTON, NEW ZEALAND
 TELEPHONE 722 733

T. 62/40/1
 GENERAL PURPOSE OFFICE
 19 DEC 1978
 17/4650/1

P.O. BOX 5010

7 December 1978

The Minister of Finance

N. Z. RAILWAYS: CLOSURE OF TAPANUI BRANCH LINE

1. Proposal

In the attached submission it is proposed that Cabinet:

- (a) approve the closure of the Tapanui branch railway line; and
- (b) authorise the Minister of Railways to make an appropriate press statement.

2. Background

The Tapanui branch line is a Class D line, running for 32 km from the railhead at Waipahi to Heriot in Central Otago. The bulk of the traffic is from the N.Z. Forest Service sawmill at Conical Hill, some 10 km from Waipahi.

3. During the flooding in the Southland/Otago area in October, extensive damage was done to the line, so much so that its continued use is impossible without major restoration. Rather than engage in this expense, N.Z. Railways now propose to close the line.

4. Comment

Treasury supports the proposal. Previously traffic generated on this line was marginally profitable, largely because of insufficient expenditure on maintenance. The cost of upgrading and deferred maintenance would certainly have made it unprofitable in two years time and its closure would have had to be considered then. On this basis, expenditure on restoration of flood damage is not justified, and the most economic option is to close the line. Some present revenue generated from this line will be retained, namely any freight carried by truck to the railhead at Waipahi and forwarded by rail from there.

5. We have discussed the implications of this proposal with the Roading Division of the Ministry of Works and Development who have indicated (albeit with some reservations) that they expect the effect of a transfer of freight on to roads in the area to be minimal. NZFS has indicated its willingness to use road transport in place of rail; Railways plan to discuss the matter with other users and interested parties in the area if approval is given to close the line.

A 18/12/78

[Handwritten signature]

The availability of road cartage, at a price comparable with that of rail, should mean that users are not significantly disadvantaged by the closure, and furthermore that there will be no need for subsidization of road freight operations in the area (as occurred in the Catlins River area).

6. Recommendation

It is recommended that Cabinet :

- (a) approve the closure of the Tapanui branch railway line;
- (b) authorize the Minister of Railways to make an appropriate press statement;
- (c) note that no subsidy for road freight in this area should be necessary.

7. Copies of this report are attached for the Minister of Railways and
Gen Mr W. E. Cooper M. P.

John Bayly
 Secretary to the Treasury

The Minister of Railways
 Mr W. E. Cooper M. P.

Referred.

Thea Somerville
 Asso Minister of Finance

12 DEC 1978

Ancillary Levy.

GENERAL MANAGER'S OFFICE
N.Z.R.
-7 DEC 1978
DESPATCHED TO MINISTER

17/4650/1

Office of the Minister of Railways

Memorandum for
CABINET

RAILWAYS : TAPANUI BRANCH

BACKGROUND

1. Extensive flooding in Southland and Otago in the middle of October 1978 caused track subsidences and washouts on many railway lines. Particularly extensively damaged was the 32km Tapanui Branch which extends from Waipahi to Heriot.
2. The matter was discussed by Cabinet on 24 October 1978 and I was asked for a report on the condition of this branch line and the alternative means of transport if the line were closed.

PROPOSAL

3. It is proposed that Cabinet approve the closure of the Tapanui Branch railway.

COMMENT

4. Flood damage to the 32 km of railway includes washouts and scouring up to 3 metres deep at 32 separate locations which have left nearly 2 km of track unsupported. Bridge No.17 near Heriot proved completely inadequate and both approaches were washed out to a depth of 4 metres. Urgent work is also required on bridges 1 and 2. The cost of restoring the line to traffic is estimated at \$136 000.
5. Restoration by itself will enable the Branch to last only two further years without major expenditure beyond normal maintenance. If the Branch is to remain for longer than two years after restoration, substantial work costing over \$1 M over ten years is required to catch up on deferred track maintenance. The equivalent annual cost of restoration and deferred maintenance over a 30 year remaining life is \$82 300.
6. Most traffic on the branch is generated by the NZ Forest Service sawmill at Conical Hills, within 10km of Waipahi. The permanent closure of the branch has been discussed with the NZ Forest Service which has advised that the transport requirements of the Conical Hills mill can be met by road transport, largely within the existing capacity of road operators and at costs comparable to those presently charged by Railways. The Forest Service has no objection to the closure of the Branch.

Wait

7. The Hon. J.B. Gordon and Mr W.E. Cooper M.P. fully endorse the proposal.

OTHER USERS

8. Subject to Cabinet approving closure the Tapanui Businessmen's Association and Federated Farmers will be approached. The Hon. J.B. Gordon is confident that they will accept the proposal.

SUMMARY

9. The closure of the branch would have the following annual effect on NZR's financial position.

	(\$ p.a.)
Saving in branch costs	162 500
Main line variable expenditure avoided	76 600
TOTAL SAVINGS IN EXPENDITURE	<u>239 100</u>
Goods Revenue lost	248 900
Lease Revenue lost	2 000
TOTAL REVENUE LOST	<u>250 900</u>
DIFFERENCE	11 800
Annual cost of restoration and deferred maintenance	82 300
NET ANNUAL SAVING FROM CLOSURE	<u>70 500</u>

TREASURY

10.

RECOMMENDATION

11. I recommend that Cabinet approve the closure of the Tapanui Branch railway and authorise me to make a Press Statement after the action in paragraph 8 has been taken.

MINISTER OF RAILWAYS

N O T E for:

GENERAL MANAGER

TAPANUI BRANCH

1. The revenue and expenditure of the branch have been analysed to show the financial effect of closing the branch as a whole, and closing the N.Z. Forest Service Siding - Heriot portion. The analysis is first done on the basis of the expenditure needed to keep the branch in operation if it was restored. Restoration and deferred maintenance costs are then added to assess the case for reopening.

OPERATING EXPENDITURE

2. The estimated annual operating costs of the branch are as follows:

	Whole Branch (\$ p.a.)	NZFS - Heriot Section (\$ p.a.)
Maintenance of Way and Works	62 000	41 000
Maintenance of Rolling Stock	13 000	7 600
Locomotive Operation & Maintenance	45 000	15 400
Traffic Transportation	26 000	15 800
Ancillary Vehicle	16 500	16 500
	<u>162 500</u>	<u>96 300</u>

3. Way and Works expenditure is based on that incurred for the year ended September 1978, updated to current cost levels. The order of the expenditure after allowing for inflation is comparable with previous years. Other operating expenditure is based on operating patterns as occurred during year ended September 1978, updated to current cost levels.

4. It is assumed that the ancillary lorry would not run if the branch were closed, either fully or back to NZFS. The full cost of the lorry is thus a cost of continuing to run the branch, and a saving from closing it, either fully or back to NZFS.

REVENUE

5. An estimate has been made of traffic that is likely to be carried on the branch in the future; the revenue earned by this traffic is estimated at current rates. Nearly all this tonnage and most of the revenue would be lost following branch closure.

... ..

The estimates are as follows:

TONNAGE	Whole Branch tonnes	NZFS - Heriot Section tonnes
Branch traffic if open	26 600	14 600
Loss of traffic if closed	25 000	13 400
Traffic retained if closed	1 600	1 200

REVENUE	Whole Branch (\$ p.a.)	NZFS - Heriot Section (\$ p.a.)
Future gross revenue if branch open	312 300	203 400
Loss of gross revenue if branch closed	247 600	150 700
Loss of revenue owing to shorter haul of retained traffic if branch closed	1 300	1 000
Revenue retained if branch closed	63 400	51 700

6. Leases on the branch would be handed over to Lands and Survey if the branch closes. The lease revenue amounts to \$2 000, of which \$1 800 is earned in the NZFS - Heriot Section.

MAIN LINE OPERATING EXPENDITURE

7. Because traffic lost off the branch is also lost off the main line, there are savings made in main line variable costs if the branch is closed. Based on the traffic losses above, the savings would be \$76 600 if the whole branch is closed, and \$40 000 if only the NZFS - Heriot Section is closed.

EFFECT ON NZR's FINANCIAL POSITION

8. The closure of the branch would thus have the following annual effect on NZR's financial position, without counting restoration or deferred maintenance costs.

	Whole Branch (\$ p.a.)	NZFS - Heriot Section (\$ p.a.)
Saving in branch costs	162 500	96 300
Main line variable expenditure avoided	76 600	40 000
TOTAL SAVINGS IN EXPENDITURE	<u>239 100</u>	<u>136 300</u>
Goods Revenue lost	248 900	151 700
Lease Revenue lost	2 000	1 800
TOTAL REVENUE LOST	<u>250 900</u>	<u>153 500</u>
Worse Off on closure by	<u>11 800</u>	<u>17 200</u>

... ..

RESTORATION AND DEFERRED MAINTENANCE COSTS

9. CCE reports that restoration will cost \$101 000 for the whole branch, of which \$21 000 is for the Waipahi - NZFS Section. As well, urgent work is required on bridges 1 and 2, costing \$35 000. Both bridges are in the Waipahi - NZFS Section. Total short-term expenditure required to reopen the branch is thus \$136 000 for the whole branch, and \$56 000 for Waipahi - NZFS only. From this has been deducted the cost of recovery of the 36 stranded wagons along the whole branch, estimated at \$10 000, to give the net cost of restoring the line to traffic.

10. The restoration by itself will enable the branch to last only two further years without major expenditure beyond normal maintenance. If the branch is to remain for longer than two years after restoration, substantial work is required to catch up on deferred track maintenance. The cost above normal maintenance requirements is estimated at \$280 000 for Waipahi - NZFS over two years, and at \$720 000 over ten years on the remainder. Renewal of Heriot station and repairs to Heriot yard will cost \$80 000, and are necessary within five years if traffic staff remain. After this work the life of the track will be indefinite, with only normal maintenance requirements. Some extra attention will need to be given to bridges after the track work is done. This is assessed at \$5 000 p.a., continuing for about 20 years.

11. In order to relate these costs to the operating result, we have calculated an equivalent annual cost using discounted cash flow techniques, at a discount rate of 10% over 30 years, representing the remaining life of the branch. The equivalent annual cost of restoration and deferred maintenance for the whole branch is \$82 300, and for the Waipahi - NZFS Section alone, \$29 100.

FUTURE SAVINGS AND EXTRA REVENUE

12. If the two traffic men on the branch were not employed there, their wages (\$15 600 p.a.) and the costs of their housing and station accommodation (\$1 000 p.a.) could be saved. The cost of deferred maintenance on Heriot station and yard would be avoided if it were unstaffed. Other economies could also be made - e.g. closure of Glenkenich.

13. As presently operated, the level of traffic on the branch is not expected to show any growth. However, if the line were marketed among the local community, it should be possible to attract more custom at little additional operating cost. If there were better handling facilities at Heriot, lime traffic from Lady Barkly could be gained. This traffic would be about 10 000 tonnes per year, worth \$80 000 at standard rates. The "better handling facilities" could be further Q wagons from the West Coast or a Screwdozer or tippler. The latter may be required in any case for the current fertilizer traffic if the 'Q' fleet cannot be used indefinitely. The cost of such equipment has not been taken into account.

... ..

14. From October 1977 to April 1978 11 000 tonnes of logs were railed from Tapanui to Bluff earning some \$64 000 revenue. The calculations above have not taken this traffic into account and have assumed that it will not recur. This should be checked with NZFS.

CONCLUSION

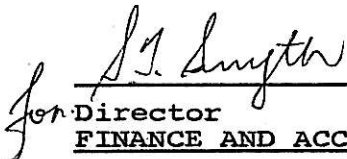
15. The normal operating result for the whole branch is estimated at an \$11 800 p.a. contribution towards overheads. Substantial restoration and deferred maintenance costs, would, however, be incurred to achieve this result. These costs have an equivalent annual value of \$82 300 when spread over a 30 year life for the branch. The net annual saving therefore from not reopening the whole branch would be \$70 500. It could, however, be lower through savings in expenditure and additional traffic. Traffic staff savings alone would be \$16 600, with further savings in deferred maintenance expenditure.

16. Under normal operating conditions expenditure on the Waipahi - NZFS section would exceed revenue by \$5 400 p.a. Restoration and deferred maintenance would have an equivalent annual cost of \$29 100, giving a net annual saving of \$34 500 from not reopening this section alone. There is little scope for additional cost savings on this section.

17. The Waipahi - NZFS Section could be offered to the Forest Service as a private siding, under old conditions. NZR would need to restore the line, at a cost, net of wagon recovery, of \$51 000. NZR could retain most of the \$97 200 revenue that would otherwise be lost on closure. The Forest Service would then be responsible for maintaining the track, including deferred maintenance, and the operating responsibility could be negotiated.

RECOMMENDATION

18. We recommend that
- (a) the line above the NZFS siding be closed, subject to confirmation from NZFS that log traffic is unlikely to resume,
 - (b) the Waipahi - NZFS section also be closed, subject to confirmation from NZFS that traffic from the Conical Hills mill is unlikely to grow significantly;
 - (c) the Waipahi - NZFS section be offered to NZFS as a private siding under old conditions.


for Director
FINANCE AND ACCOUNTS


Director
MANAGEMENT SERVICES

OFFICE OF THE MINISTER OF RAILWAYS



WELLINGTON-1
GENERAL MANAGER'S OFFICE

N.Z.R.

9 JAN 1979

19 December 1978

GENERAL MANAGER

CLOSING OF THE TAPANUI BRANCH RAILWAY LINE

Pursuant to the powers, duties and functions conferred upon me by Section 9 of the Government Railways Amendment Act 1956, and all other powers vested in me and being satisfied that having regard to the high cost of restoring flood damage, that branch line of railway known as the Tapanui Branch (being that portion of the Government Railways from Waipahi to Heriot) can continue to be operated only under conditions that will result in the revenue therefrom being insufficient to cover the working expenses thereof, I Colin Campbell Alexander McLachlan, Minister of Railways, hereby close for the transport of goods and passengers the said section of railway from Waipahi to Heriot from and including Wednesday 20 December 1978.

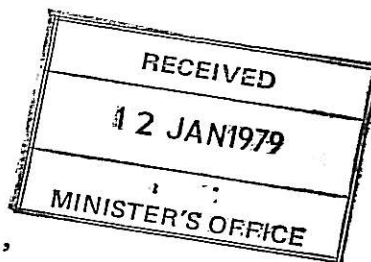
Colin McLachlan

MINISTER OF RAILWAYS

BOROUGH of TAPANUI

All Correspondence to be
Addressed to
THE TOWN CLERK

Municipal Offices,
Tapanui,



4 January 1979.

Hon G.C.A. McLachlan,
Minister of Railways,
Parliament Buildings,
WELLINGTON.

Dear Mr. McLachlan,

My Council, understandably, is concerned about the closing of the rail link between Waipahi and Heriot.

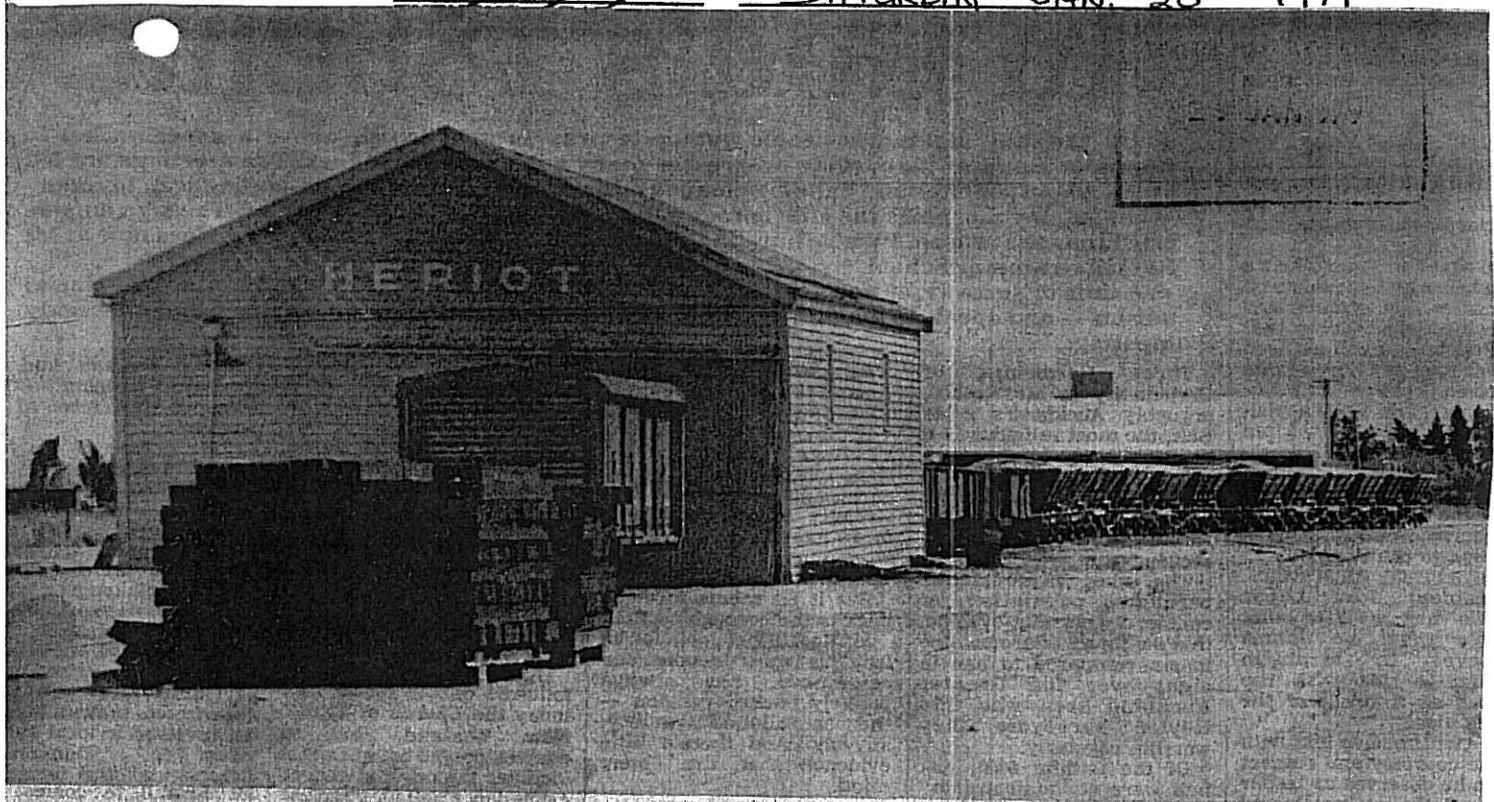
But of more immediate concern to them, is the stopping of the freight lorry which services this area of West Otago. This ancillary service has been of great benefit and its cessation will have adverse effects particularly to businesses in the town.

As stated by the Railway Officials who called on His Worship prior to Christmas, exceptions do exist which allow ancillary lorry services to run after the railway has been closed and they quoted Queenstown as an example.

Therefore, in the interests of the Borough and West Otago generally, my Council respectfully requests that you give serious consideration to the granting of a special Vehicle Authority Licence to the Railways freight lorry in order that competition in the freighting of goods into the West Otago district may be maintained.

Yours faithfully,

Mrs. C.R. Donaldson,
Town Clerk.



RAILWAY STATION at Heriot is idle with wagons and sleepers creating an eyesore while the powers that be decide what to do.

COMMUNITY SPIRIT STILL PRESENT IN WAIPAHI

Most established towns survive through community spirit.

It's the people and industries of a town that keep it alive.

Waipahi is a small town that lives under the shadow of Gore — only 15 minutes away.

It is a town that appeared to be threatened by the closure of the Tapanui branch line following damage in last October's flood.

In fact there was no threat to the town's future because for many years the line had played only a small part in supporting the town.

Few people have relied solely on the line for the past few years and if for any reason they did, they have easily changed to road transport.

Of course the main trunk line still runs through the town and according to railway officials in Gore, will provide employment for at least the two men who were already stationed there.

The Area Traffic Manager in Gore, Mr R. J. Stevens, said that probably the line's closure will bring the town more to life with the extra work it will generate.

"Waipahi will get consignments that would ordinarily go further up the line," he said.

However, as Mr Stevens pointed out, the station will continue to bring in the revenue as it did before the closure.

The possibility that the station would be automated

was denied by Mr Stevens.

He said that it would now become a 24 hour station and that it would not be automated, because of the cost, "in your life time or mine."

Waipahi has two successful and long established businesses which provide the bulk of employment and the majority of funds coming into the town.

They are Waipahi Transport, owned by John Popenhagen, and Lumina Ltd, owned by Lindsay Doncaster and his partner John Williams.

THRIVING

Lumina Ltd is a thriving business that was begun back in the 1930's and through a succession of owners has continued to this day.

The industry employs the two men and some part-time labour processing kaolin clay and making sheep raddle.

Although the industry is almost unheard of outside the district, the men have a steady demand for the processed clay.

The company is one of the major producers of raddle in New Zealand, and has exported to Australia but this year fell through. The

other business in the town, is booming according to its owner, John Popenhagen.

At present the company employs 12 people, 10 of whom live in the town, eight in company homes.

The company has one of the largest bulk fertiliser stores in Southland.

There are a number of other towns along the branch line that were affected more by the closure of the line but they too have adjusted to using road transport.

RESIGNED

In Kelson the proprietor of the general store, Mr Denys Bevan, said that the people of that town had become resigned to the closure and accept that it was inevitable.

He said he was sorry to see it go and that the shift to road transport may mean more damage to roads by the heavy trucks.

Heriot was one of the major depots for the train as quite regularly it would deliver fertiliser to the bulk store in the town.

But this is has already been replaced by road transport.

Stores along the line have now turned to a Gore transport firm, Graham Transport, to supply them with goods from the warehouses.

DUNEDIN.

GENERAL MANA

For you

elling and reballasting to permit train movement again.

It would be a shame, Sir, if this line is dismantled. As my wife observes, it is very scenic and I suppose it is inevitable that the Kingston Flyer will not be in the province for ever and a day.

Our feeling is that the October flood damage is merely a convenient excuse to close this line and I recall that last December repairs were cited at \$250,000. In *The Southland Times* on February 8, 1979, that figure had shrunk to \$100,000. I would say \$35,000-\$50,000 would be closer. Quite cheap when compared with the figure the N.R.B., who haven't got the money or resources anyhow, will now have to come up with to upgrade the roads in the area. Lime and timber lorries can be quite tough on bitumen.

The N.Z.R. has the immediate prospect of a \$10,000 bill for the recovery of the 38 wagons stranded on the line, that is assuming anyone is game enough to operate in the face of a "black" ban placed by the railway unions on the branch and its contents. Should the wagons reach Waipahi there is no guarantee that they will be moved any further.

This \$10,000 could be better spent in re-opening the line at least to Conical Hill which would no doubt please "Mother of 10" and other Waipahi residents as well as appeasing the N.Z.R., who may consider relaxing their ban on bringing out the balance of the wagons in return. After all Conical Hill is a government sawmill and if the Government won't make use of its own transport system, how can it expect anyone else to?

My suggestion to "Mother of 10", and indeed any other interested person, is that if they agree with some of the sentiments expressed here, they cut this letter out and send it with their own short covering letter to some or all of the following:

Their local M.P.; their local Opposition M.P.; the local president of Feder-

ated Farmers; the Opposition spokesman on transport, Sir Basil Arthur; the Secretary of the Treasury; the National Roads Board.

D. Williams

the Tapanui Line

Sir — I was most interested to read "Mother of 10's" letter to your column on February 18, 1979. I don't doubt that the closure of the Tapanui branch line will affect a small railway community such as Waipahi. The speed with which this line was quietly axed intrigued me so, as our family was camping in the vicinity in January, we decided to walk along the line and see the damaged track for ourselves.

On the whole line we found only one bridge (No. 17, below Heriot) that was actually damaged and, although the ballast is scoured from underneath the track in many places, the rails are intact and it would only be a matter of lev-

OFFICE OF THE
SECRETARY OF DEFENCE

15 FEB 1979

RECEIVED

19 Severn Street,
Invercargill.

15.2.79

Sir,

I note from the reports in the newspapers that the powers that be have decided that the Heriot Branch Railway must close.

I am more than a little confused as to the reason as originally the papers (Mataura Ensign, Otago Daily Times, and Southland Times) reported the cost of reinstatement of the line to be $\frac{1}{4}$ a million dollars.

A recent Southland Times report quoted \$100,000 to repair the line. A railway source says it would cost about \$35,000. On noting these peculiar figures a friend and I decided to go and look for ourselves. We walked along the track from Waipahi to Conical Hill. We have also checked the rest of the track. I have come to the conclusion that this is a con job. The Government just don't want to repair the line.

There are some questions I would like answered:-

1. On the second bridge that is Bridge No. 2 on the branch at the Waipahi end there are two fairly new concrete foundation piles. When were they placed there. It must have been very recently as the earthworks have not yet grown over.
2. Further along the track there is a section where 28 lengths of track have been relaid or re-sleepered. This must also have been recent work as the preservative on the sleepers is still sticky. Sleepers have been replaced here and there along the length of the track.
3. What was the cost of these repairs.

I note also from newspaper reports that the line is badly washed out. This I must challenge too. From my observations the track foundation has no damage only the Ballast has been washed out. This could easily be reclaimed as it is lying over the side of the foundation and not spread everywhere. This could provide useful work for some of our unemployed people.

These washouts themselves, reports suggest that they are all major. This is not so. Some require three - four wheel barrow loads to fill and probably don't matter too much. One small washout at a bridge near Conical Hill is in this category. There are about six - seven large washouts, but no where did I see any broken or badly damaged track sets. All that is required to put this line in order is ballast and labour. These two items must be readily available.

The actual condition of the track to Conical Hill is very good. The track is of light 531bs per yard rail but I would suggest that it is ample for this line. There are a few dud sleepers. The majority of them must have been replaced over the years. A lot of the rail is secured by screws or spring clips. This is a reasonably modern method.

At least this line should be retained to Conical Hill to service the State owned Sawmill, possibly even run by the Forestry Service itself if Railways are not allowed to.

Conclusions I am drawn to -

If reinstatement costs are \$35,000 this would buy $\frac{1}{2}$ a new truck chassis or \$100,000 might buy one Volvo Truck and cost how much in overseas exchange?

This line serves a Government run Sawmill. This is a large establishment so now it's entire output is to be given over to road haulage.

- a. Could be that Forestry Trucks will take the timber to Waipahi 8 km by rail; 11 km by road.
- b. More likely private road transport operators.
- c. If Government departments won't or don't use Government transport, how does it expect anyone else to if it is Government policy to use road transport as against rail then there can only be higher costs to the end user. It does not take an expert to realise that greater tonnage can be moved more cheaply fuel wise, by rail. In these days of fuel crisis we all must do our bit to conserve fuel. But here we have a situation where the decision made can only tend to increase our NATIONAL FUEL BILL.

It seems to be a case of Don't do as I do,
Do as I say.

Government should set the example for others to follow.

I suspect that the Arabs and other Oil Producing Countries and the oil companies themselves must be laughing all the way to the bank with our sick decisions which tend to make them richer and us poorer. With the present situation, with Iran, we must rethink the situation.

Also I cannot accept that a short 32km length of railway that manages to trap 38 wagons is that bad a financial risk.

I note that tenders have been called to carry out the trapped wagons by road to Waipahi. I believe that at least two tenderers are contemplating retrieving them by "RAIL" so that must indicate what they think of the state of the line. I wonder has anyone taken the time to have a look at the Heriot Branch to see for themselves or maybe it doesn't really matter very much because it is away down in the bottom of the South Island anyway so who cares.

Finally I wonder how far would these so called figures go towards upgrading the roads in this area. Probably not very far. Since the relaxation of the 40 mile limit the roads are breaking up badly and a lot of reconstruction is having to be done all over the province and right along side railways which are being starved to death. I suspect rail losses are minimal compared to road rebuilding and maintenance costs. Those road costs are probably being forced on us years before they would normally have become due, or can it be that road transport operators run this country. Also in Southland there are many roads which flood badly. Will the same rules which applied to the railways be enforced on these and other provinces too. Some of these roads have alternative routes, so really they could be closed too.

YOURS FAITHFULLY

R.B.A. McLeod

R.B.A. McLeod

New Zealand Railways

DISTRICT TRAFFIC MANAGER,
DUNEDIN.

In your reply, please quote: No. 22/200/7

Ata
CHIEF TRAFFIC OFFICER 1 March 1979

GENERAL MANAGER'S OFFICE N.Z.R. - 5 MAR 1979 17/4650/1

Your 17/4650/1 of 5 February 1979

GENERAL MANAGER:

Staff *OT* TRAFFIC

CLOSURE OF TAPANUI BRANCH

As a result of the closure of the Tapanui Branch with effect from Friday, 12 January 1979 it was necessary to find alternative employment for the following members :-

Mr E.W. Sinclair, Guard, Gore.
Mr T.W. Soloman, Traffic Assistant, Tapanui.
Mr D.L. O'Boyle, Stationmaster, Heriot.

Mr E.W. Sinclair, Guard, Gore has indicated that he is prepared to accept the shunters position (vice Mr A.G. Saunders transferring to Senior Shunter, Timaru) at his current rate of pay i.e. Code 322 (374.0 cph). Mr Sinclair is due to retire on 26 August 1980. Although aged 57 years (D.O.B. 15.6.21) Area Traffic Manager, Gore considers that Mr Sinclair is capable and well suited for the position of Shunter, Gore and I recommended accordingly.

Mr T.W. Soloman, Traffic Assistant, Tapanui advised that he would be prepared to transfer to either Gore, Balclutha or Clinton with railway housing, the above locations being in order of preference. He indicated that he did not wish to be employed in an operating position.

Mr Soloman was offered a position at Balclutha with railway housing, however after visiting the above location on Thursday, 22 February 1979 he advised that he did not wish to transfer there.

On Monday, 26 February 1979 Mr Soloman tendered his resignation to take effect from Friday, 2 March 1979.

Mr D.L. O'Boyle, Stationmaster, Heriot has been transferred to Commercial Branch, Wellington.

Will you kindly approve the appointment of Mr E.W. Sinclair, Guard, Gore to the position of Shunter, Gore (vice Mr A.G. Saunders).

L.E. Forde,
DISTRICT TRAFFIC MANAGER

Per: *W. Buckley*

*second man
attach file
317*

17/5650/1

DOMINION

20 MAR 1979

Railwaymen declare branch line black

NZ PRESS ASSOCIATION

AFTER inspecting the Trans rail branch railway line, the president of the New Zealand Railwaymen's Union, Mr. George Philpott, has declared it black.

Mr. Philpott said his members were concerned at the present attitude of Railways management that it could consider closing down the line and shutting railway installations at a time when the country was facing probably the greatest crisis in its history.

He said because of that crisis the Railways, which were a national asset, could come back into their own in 12 months. At the present time they were merely being propped up.

Telegrams have been sent to the secretaries of the Otago Trades Council, Southland Trades Council and Federation of Labour requesting assistance to see by work of any description is done that is in any way connected with railway operations on the line.

On Friday the Railways

Department let a tender for the recovery of 80 standard wagons locked in on the line to a Dunedin firm, Brambles SCG Ltd.

Mr. Philpott said if the firm tried to move "one dog's spike of the line" none of the equipment would be serviced by any Railways installation anywhere in New Zealand and none of the wagons would be able to be placed on the Cook Strait ferries.

The Department decided to close the line because of damage caused by the disastrous October floods last

year. It considered it would cost 100 much to repair the line.

However, Mr. Philpott said that it was still a practical proposition with a minimum expenditure.

The road which served the district, and which now carries all the heavy freight previously transported on the line, was not in good condition.

He asked how much the National Roads Board would have to spend to keep the road up to standard for the heavy traffic it was carrying.

NOTE for:-

ASSISTANT GENERAL MANAGERPERSONNELCLOSURE OF TAPANUI BRANCH

As a result of the closure of the Tapanui Branch with effect from 12 January 1979 it has been necessary to consider the alternative placement of the following members:-

Mr E.W. Sinclair, Guard, Gore

Mr T.W. Soloman, Traffic Operator, Tapanui

Mr D.L. O'Boyle, Stationmaster, Heriot.

Mr D.L. O'Boyle, Stationmaster, Heriot

Selected for training on Commercial Branch duties and transferred to the position of Section Officer, Unattached, ✓ Commercial Manager's Office on 16 January 1979.

Mr T.W. Soloman, Traffic Operator, Tapanui

Advised that he would be prepared to transfer to a non operating position at either Gore, Balclutha or Clinton with railway housing. He was offered a position at Balclutha with railway housing however, after visiting Balclutha on 22 February 1979 he advised that he did not wish to transfer to this locality. He resigned with effect from 2 March 1979. ✓

Mr E.W. Sinclair, Guard, Gore

One authorised 'Guards' position at Gore and arrangements are in hand for the abolishment of this position which was occupied by the abovenamed. Mr Sinclair does not desire to transfer from Gore and has indicated that he would accept alternative placement in a Shunter's vacancy at Gore vice Mr A.G. Saunders who is transferring to the position of Senior Shunter, Timaru.

Mr Sinclair (Date of Birth 15.6.1921) joined the Department on 26 August 1940 and is due to retire on completion of 40 years continuous service on 25 August 1980. Although he is aged 57 years, Area Traffic Manager, Gore considers that Mr Sinclair is capable and well suited for the position of Shunter, Gore. *Mr Sinclair is a member of Govt Super Fund & completes Hops Contributory Service on 28 August 1980*

In view of the circumstances it is recommended that you approve the reduction in status and pay of Mr E.W. Sinclair from the position of Guard, Gore 374.0(21441)cph to the position of Shunter (fourth year) Gore 351.6(21424)cph together with the payment of an allowance 22.4 cents per hour under the provisions of Regulation 137 of the Government Railways (Staff) Regulations 1953 based on the full difference between the rate of pay Mr Sinclair was receiving as a Guard, Grade 1 and the rate he will receive as a Shunter fourth year.

CHIEF STAFF OFFICER

28 March 1979

APPROVED
6/3/79
 ASST. GENERAL MANAGER
 PERSONNEL. 4. 4. 79



DESPATCHED
20 APR 1979
FROM
MINISTER'S OFFICE

CHIEF ADMIN. OFFICER

Mr W.J. Cowan
Myross Bush School
11 R.D.
INVERCARGILL

Dear Mr Cowan,

Thank you for your letter of 24 March concerning the closure of the Tapanui Branch railway.

A full engineering assessment of the line after the floods showed that washouts and scouring had occurred at 32 separate locations, leaving in total about two kilometres of track unsupported. In addition, bridge approaches were damaged and two bridges themselves needed major repairs.

The line could be restored at a cost to the order of \$136,000, but this expenditure would have enabled the line to last at most for about two years without further major expenditure over and above normal maintenance. The earnings from traffic carried on the line would defray only a fraction of this cost, and in these circumstances the Government decided that the line should be closed.

Rail is highly fuel efficient in carrying large volumes of goods in capacity or near-capacity train loads. On the Tapanui branch railway line the volume of freight available for transport has been insufficient to make optimum use of the power of the locomotives used. The relatively small amount of present and potential traffic requiring transport in the area can readily and economically be handled by existing road operators.

I am satisfied that the Government has made the correct decision in the case of the Tapanui branch line.

Yours sincerely,

(Signed) COLIN McLACHLAN

MINISTER OF RAILWAYS

Wagons on Tapanui Branch

HERRIOT Q 1325, 1457, 1452, 1414, 1525
4 1496, 1533, 1515, 1422, 1376
1498, 1416,

2 K^S 722

3 { LA 19490, 61666
LB 6091
LC 6554

KELSO 3 { LA 24729
LB 2081, 7280

TAPANUI 2 KP 22976,

3 LA 27691

2 XP 2368

STATE SDS 3 LA 10203

3 LB 10396, 2446

3 LC 7242, 41439, 67446

1 NA 3251

1 NC 6535, 1223

1 UB 1538,

1 UR 277, 1005

1 US 4143, 3325, 3202

↑
Order of priority for recovery.

1-2-3-4

17

3

3

15

38

17/4650/1

No Lifting Of Rail Ban

The National Union of Railwaymen's black ban on the Tapanui-Waipahi branch line is likely to stay.

That's the prediction of its national secretary, Mr Robin Goodfellow.

Mr Goodfellow said the union had a policy on three similar branch lines — including Tapanui — that meant the black ban would continue.

Mr Goodfellow disputes the Railways Department

claim that the October floods damaged bridges beyond a reasonable cost of repair. He says the department had already had surveyors looking at the line long before the floods and the possibility of ripping up the line was mentioned.

Mr Goodfellow said the department had asked for the policy to be reconsidered later this month at a union executive meeting.

But, he added, the policy

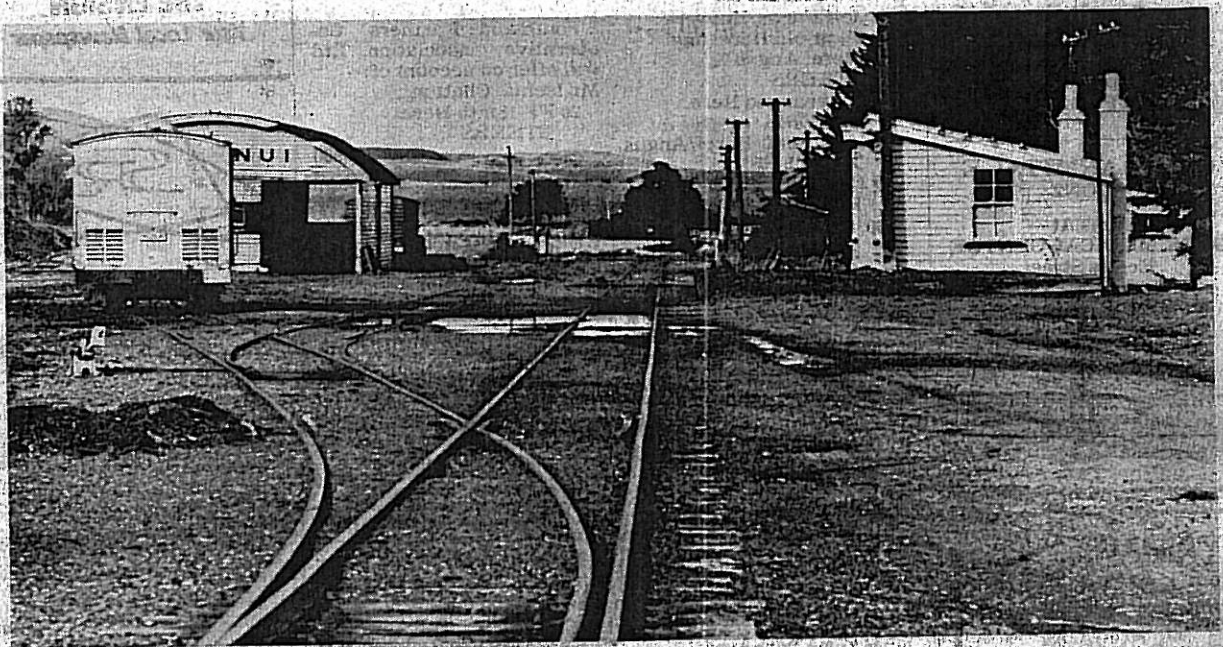
was unlikely to change.

The Railways Department had also hoped to remove wagons from the line. After work on it was blocked, a contract with a road transport firm was apparently considered.

However, Mr Goodfellow says the railway union has the support of the Otago and Southland Trades Councils and the Drivers Federation and any such move would not go ahead.

MATAURA ENSIGN

10 MAY 1979



- 7 MAY 1979

MATAURA ENSIGN

ONLY ONE WAGON waits on the sidings at the Tapanui Railway Station. And the dead station reminds of western ghost towns — only tussocks bustle about. And the station will stay deserted. The National Union of Railwaymen is determined to hold its black ban on the branch line — so 36 wagons will stay on the lines. Union officials say the line is not as extensively damaged as the Railways Department says. In fact, to prove their point, they want the 36 wagons removed by rail — and not by road.

newspaper file

THE ENSIGN

17/4650/1

GENERAL MANAGER'S OFFICE

N.Z.R.

31 JUL 1979

WEDNESDAY, JULY 8, 1979

GORE, NEW ZEALAND

RAILMEN URGE TAPANUI LINE REOPENING

Railwaymen are concerned over the lack of use being made of the Tapanui branch line — closed after last October's floods — and a corresponding over-use of the road by heavy traffic.

In a statement a national councillor for the National Union of Railwaymen, Mr J. Macdonald, said that he was very concerned over the lack of use of the track.

Mr Macdonald said, after viewing the track yesterday, that there had been no further deterioration since October's flood.

He said that, according to one person, who was experienced in track work, it would take about five days' work to repair the line to where it could be used again.

"Railwaymen as a whole, in these times of oil shortage, see that the tracks should be back in use."

Mr Macdonald pointed out that at present the heavy traffic that had taken over the cartage of freight which was previously carried by rail, was having an adverse affect on the roads.

"The line should be used instead of having the roads broken up by the heavy traffic," he said.

Recently an estimated \$1.5 million contract was let to the New Zealand Forest Service for logs for Korea. These logs will be carted by road from Dusty Forest to Waipahi and then loaded on to wagons.

"The railway could carry more for the same cost as road transport," he said.

Mr Macdonald said that the cost of transport and the double handling involved could be cut if the track was reinstated.

"We can see that the problems involved in this system are unnecessary and add to the cost of it."

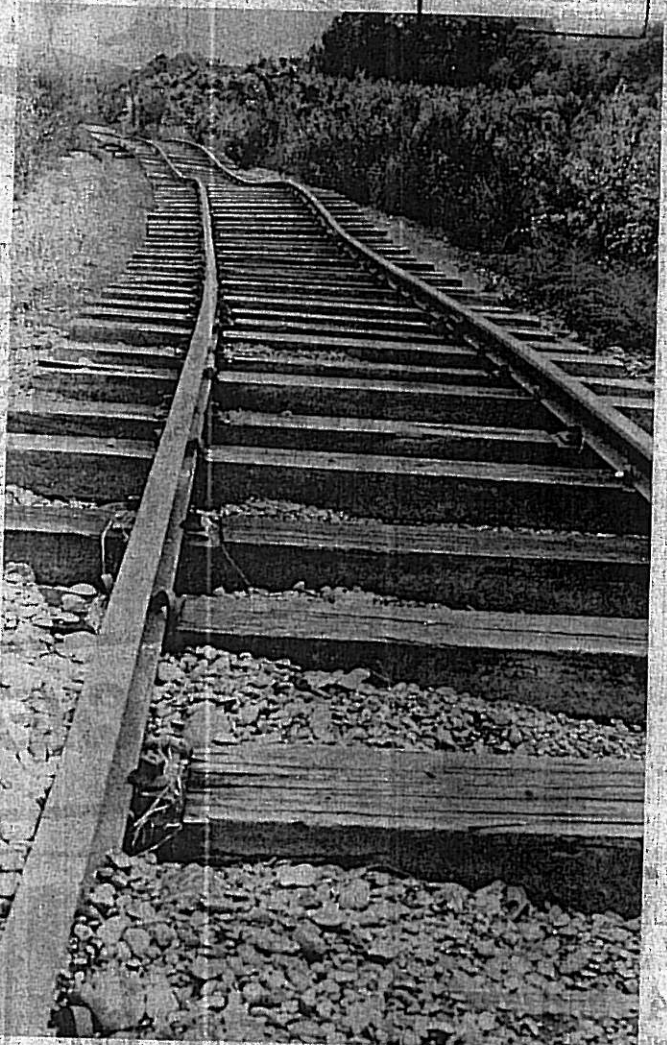
He also noted that if the shipment were a trial order, the problems involved might jeopardise any chances.

WAGONS

The NUR branch secretary in Gore, Mr J. W. Poulsen, pointed out that there are also 38 wagons locked in on the Waipahi to Kelso line following the NUR ban on the removal of the wagons other than by road.

Mr Poulsen said that along with two national councillors for the union, Mr Macdonald and Mr T. Campbell, he had talked to the various sectors of the public along the track and had been in favour of the line.

any crisis must return to the line.



THE buckled tracks of the Tapanui branch line still bear witness to last October's flood. Following an inspection of the line yesterday, national councillors of the National Union of Railwaymen said it would take about five days' work to repair the line to where it could be used again.

Handwritten signature or initials.

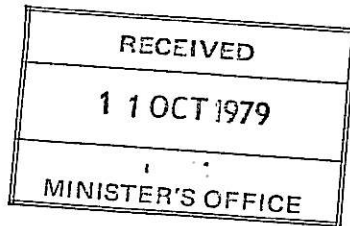
COUNTY \$3.45

South & West Otago Regional Council

(OTAGO COUNCIL)

P.O. BOX 19

BALCLUTHA



Mr P.W. Moffat Chairman
Mr R.J. Farquhar Secretary

RJF:DBH

9 October 1979

The Hon Minister of Railways
Parliament Buildings
WELLINGTON

Dear Sir,

West Otago Branch Line

It is with the greatest concern that my Council wishes to approach you in regard to the Government's Policy to close the West Otago (Tapanui) Branch Line.

In submitting a case for the reinstatement of the Branch Line, the Council wishes to make the following points:-

- (i) In addition to the usual transportation requirements of a rural district, there is also a substantial timber industry based at Conical Hills, operated by the N.Z. Forest Service.
- (ii) With the closing of the Branch Line, to meet the transportation demands of the region, heavy trucks are employed, and long distance haulage is necessary, over roads constructed to a very much lower standard to that which the present weight and speed of heavy vehicles require.
- (iii) This situation has placed a costly burden on the National Roads Board and Local Authorities in roading maintenance. With the operation of smaller vehicles from rail to farm, roading maintenance would be more reasonably held within present available roading finance.
- (iv) Notwithstanding the fact that a short section of the line has been uplifted, there appears to be no great cost to reinstate this section, (a figure of \$60,000 has been mentioned). The balance of the line is apparently in good condition.
- (v) The whole proposal to close the line is creating a great deal of confusion, on the basis that the Railways Department claims that it is capable of heavy haulage over a distance at a cheaper cost and at a lesser quantity of fuel consumption than road haulage, and yet in this locality where rail is established, and where heavy haulage is very much in demand for both farm and timber production, roading haulage is being encouraged. No doubt the Department can argue convincingly that the policy to close the line is

"ADVANCE OTAGO"

justified, (in Wellington) but has the Department made the effort to explain fully to local interests that its policy is in the best interests of the local community and the country as a whole. One example, of the confusion, is the fact that wood chips from Conisal Hills and South Otago Mills to Port Chalmers are carted by three trucks and trailers (40 tonnes per truck per trip) at a time when Government is strongly urging conservation of imported petroleum products. It is understood that the Railways Department declined to haul the chips. Many other instances of haulage by road can be quoted in situations where the logical means of transportation would have been by rail.

Consequently the Council strongly urges Government to reopen the West Otago Railway Line not only in view of the present fuel crises but also to take the pressure off the construction and maintenance of roads for bulk transportation of goods, encourage lighter vehicles to be brought back into use, which would operate from rail to farms and thus effect a lower cost for roading maintenance, and conservation of energy use at such a critical time.

Yours faithfully



R.J. Farquhar
Secretary

5 December 1979

17
4650
1

DISPATCHED
- 6 DEC 1979
By: <i>[Signature]</i>

CHIEF MECHANICAL ENGINEER

RECOVERY OF WAGONS FROM CLOSED TAPANUI LINE

As discussed, please arrange for the wagons on the closed Tapanui Line to be recovered in the following order of priority.

Priority 1

Us 4143, 3325, 3202	} All at State Siding
Ur 277, 1005	
Ub 1538	
Nc 6535, 1223	
Na 3251	

Priority 2

Xp 2368	} At Tapanui
Kp 22976	
Ks 722	

Priority 3

La 10203 at State Siding, 27691 at Tapanui, 24729 at Kelso, 19490 and 61666 at Heriot, Lb 6091 at Heriot, 2081 and 7280 at Kelso, 10396 and 2446 at State Siding Lc 6554 at Heriot, 7242, 41439, 67446 at State Siding.

Priority 4*

Q 1325, 1457, 1452, 1414, 1525, 1496, 1533, 1515, 1422, 1376, 1498, 1416, at Heriot.

* NOTE Priority 4 wagons are to be recovered only if suitable for further use; otherwise they should be sold "as is, where is".

T.M. Hayward
GENERAL MANAGER

Pert *[Signature]*

ORIGINAL ON

COPT

15/4/35/8

22584/
28203/

GENERAL MANAGER'S OFFICE

N.Z.R.

- 4 FEB 1980

17/4650

CHIEF ADMIN. OFFICER

NOTE for

Mr Hayward
GENERAL MANAGER

DAMAGE TO CLOSED BRANCH LINES

In the January 1980 storms, the Tapanui Branch suffered further major damage. Flood waters at Kelso were reported about 500mm higher than the October 1978 levels. The line damage from washouts then totalled about 2 km, but at present, about 5 km in total is washed out, and there is a lot of debris on the track. Had the 1978 damage been repaired, the 1980 damage may not have been so great, but would certainly have exceeded that from the 1978 flood. *This file*

16
5002
T

Damage to the Kingston line was not so severe. Debris has built up in large quantity at Bridges 52, 58 and 66. The track and approaches to Bridge 52 are badly washed out, and Bridges 58 and 66 are up to 100 mm out of line. There is a debris raft at Bridge 58 for about 40 m upstream, up to 2m deep, for the whole width of the bridge (66m). Bridge 65 (the combined bridge) appears to have been kept clear of debris by the local body, and the slight misalignment may be plant damage.

There may be additional scouring at culverts and other locations but a full inspection would be costly and has not been attempted.

D.S. Early
ACTING CHIEF CIVIL ENGINEER

D. S. Early
31 January 1980

2

17
H650

9 October 1980

NOTE for:

Mr J.W. Bagrie
Secretary
MINISTER OF RAILWAYS

TAPANUI BRANCH

Loop 9 1/2

You asked about the Tapanui Branch.

Background

Waipahi to Heriot section -	31 km	- closed 12.1.79
Heriot to Edievale section	10 km	- closed 1.1.68
total	42 km	

The Heriot to Edievale section of track has all been recovered, but following a NUR ban, the Waipahi to Heriot section has not been started. However stranded wagons were recovered in December 1979.

Closure followed major flood damage in October 1978. The floods of January 1980 considerably worsened the damage, until now some 5 km of track is washed out, in places to a depth of several metres.

There are 18 bridges, generally small but two are 66 m long and one 30 m long. Tapanui and Heriot yards are both of medium size, but Kelso and Glenkenich are minor. The line includes one small tunnel.

Action Taken to date

In order to gauge interest from adjoining land owners, NUR reaction, and prices we instructed District Engineer, Dunedin to select a 2 km length near the Heriot end and ask the Lands and Survey Department to arrange disposal complete with track.

Unfortunately due to a shortage of lands and survey field officers this has not been actioned.

Present Position

We now intend to withdraw the earlier request to the Lands & Survey Department and to call tenders for the uplifting of track on the branch. There is no doubt that the NUR will seek the assistance of the local Trades Council to prevent any union member, employed by a contractor, undertaking the work. This would possibly be circumvented by dividing the line into small sections of say 2 km thereby allowing private individuals to secure a contract. This will be done.

T.M. Hayward,
GENERAL MANAGER

Per: ✓

Wark

... ..

GENERAL MANAGER'S OFFICE

N.Z.R.

24 DEC 1980

17/4650/r

16 The Southland Times, Saturday, December 20, 1980

In Favour Of Lifting Line

The Tapanui Businesses' Association feels the Railways Department would be justified in removing the Waipahi to Heriot branch line.

The association's president, Mr R. A. Park, said yesterday the association took issue with the National Union of Railwaymen when it recently said local people had not shown an interest in stopping the department lifting the line.

The union had placed a ban on lifting the line and when the Railways Department decided to let the removal out to tender, the union asked the Southland and Otago Trades' Councils to help impose its ban.

Mr Park said his association had taken an interest in the branch line's fate but had also decided to wait and see what the alternatives offered.

"We support the Railways Department's intention to uplift the disused line," Mr Park said.

"When the minister of Railways announced his decision to permanently close the branch line following the 1978 floods the association wrote to him appealing against the decision.

"The question of pursuing the matter further was thoroughly looked into again some 18 months after the official closure — allowing time for the effectiveness and efficiency of the alternative road transport to be fully assessed."

Efficient Service

He said there was little doubt the transport operators were providing a 'quick and efficient' goods delivery service, although it was marginally more expensive.

"Little advantage could be seen," he said, "in creating a dual system by reopening the line.

"The overall effect on the district caused by the line's closure has been negligible and little long term effect is envisaged," Mr Park said.

The association supported the railway's decision, and Mr Park said it would be removing what had become an 'eyesore in the district.

"The union's comment that the district has not taken an interest is not entirely true, it was simply that we were waiting to evaluate the alternatives," Mr Park said.

Aid Sought In Fighting Removal Of Tapanui Line

Transport Reporter

The National Union of Railwaymen has called on the Otago and Southland trades councils for assistance in enforcing a ban on the removal of the Tapanui branch line.

The line, from Waipahi to Heriot, was closed after the floods in October, 1978, and the New Zealand Railways recently called tenders for its removal.

As a matter of national policy, the union opposes any branch line closure and track removal.

As one Dunedin official said: "It is like cutting off the branch of a tree. Once a branch goes, the tree can die. That is what we are fighting against with the railways."

However, the union is disappointed with the support it has received from the people of West Otago.

The general secretary of the union, Mr D. C. Goodfellow, said he sees the lack of support as a "lack of understanding of what the loss of the line could mean to the future growth of the district."

The mayor of Tapanui, Mr Bruce Browning, disagrees.

"We haven't felt the loss of the railway greatly, to be honest. We fought it at the time, but realised it was going to cost a tremendous amount to upgrade and put back into shape," he said.

GOOD SERVICE

Mr Browning said road transport now serves the district, and it "provides a very good service."

The branch line was closed primarily on economic grounds, but according to Mr Browning and a West Otago Federated Farmers delegate, Mr Colin Wilson, "the flood speeded up the inevitable."

Mr Browning believes the union is being a bit unrealistic and is probably "hogging a dead horse."

However, he would support any moves to reopen the line from Conical Hill to Waipahi for the transport of logs from the forests in the area.

The big trucks carting logs from the area are not helping the road conditions.

Opening the track to Conical Hill would be a good idea," Mr Browning said.

Mr Richardson said farmers in West Otago used the railways as often as possible to keep the service, but flood damage wrecked any chance of retaining the line.

"We fought like hell to keep the line open, but that was two years ago and we seem to have done all right out of it. When an outfit is losing \$90 million a year, it has to be pretty careful what it spends its money on," he said.

TENDERS

Mr Goodfellow said in his statement that in an effort to circumvent the ban, the railways has put the track removal up to tender.

The calling of tenders was confirmed by the district engineer in Dunedin, Mr T. J. Makinson, who said tenders are now being considered by the department.

Mr Makinson said it is difficult to say how the union ban on track removal will affect the railways. It would depend on the successful tenderer.

Mr Goodfellow said from his home in Petone that the union fights any moves to lift tracks because "once they are gone they are gone for good."

"We feel it is pretty shortsighted to remove the tracks, because every time Arabs met the fuel bill goes up," he said.

Mr Goodfellow said he was disappointed with the lack of support from West Otago people.

Local help is usually the difference between success and failure in the union policy, he said.

"The people of Lumsden were tougher than we when the department wanted to move the Kingston Flyer, and in Waihi the residents took over the branch line and now run their own trains on it," he said.

Mr Goodfellow claimed the railways were going to close the line well before the October, 1978, floods.

"Those floods were a bit of a godsend for them. They gave the department a good excuse to get rid of the line."


If the residents feel they can get on without the rail service, good luck to them! But they have to remember that once the track goes that's it. Fuel will always go up, and there will not be a cheaper way to go than by rail.

The union admits it may be fighting a losing battle about the West Otago line, but will not give up as a matter of principle.

"It could be that if we get a change of Government next year, we could also have a change of policy. We will not get niggly, but we will keep pushing away and will not let go of the argument," Mr Goodfellow said.

GENERAL MANAGER:

For your information.


DISTRICT TRAFFIC MANAGER

DUNEDIN

20.12.80.

GENERAL MANAGER'S OFFICE

N.Z.R.

28 JUL 1981

17/4650

UNIONS ANNOYED AT REMOVAL OF RAILWAY LINE

The Heriot to Waipahi railway line, the fate of which has been the subject of a lot of local controversy since it was washed out, is very close to being no more.

A Timaru-based demolition contractor now has most of the line ripped up, and rails and sleepers have been advertised for sale from Tapanui.

Trade union circles in Otago and Southland are annoyed that the Railways Department allowed the line to be taken up without at least consulting the local railwaymen again.

Mr Jim Poulson, Gore president of the National Union of Railwaymen, says that the matter was taken out of local union hands. Presumably the job was put up for tender, he says, but to his knowledge the notices were never put in the local paper or advertised as they usually are on local railway stations.

His union, with the co-operation of the Federation of Labour, initially had a ban even on the removal of rolling stock marooned on the line after it was cut. The union eventually allowed these waggons to be taken

away, but only after the promise that the rest of the line would not be touched without further consultation.

In any case, he said, the ban on shifting the sleepers and rails from the line still stood. Railwaymen would not touch them, nor would any truck drivers in Otago and Southland. He said it was understood that the demolition contractor wanted to sell the scrap line to Pacific Steel in Auckland, and rail it out of Waipahi. This would not be possible.

The contractor must have known this, said Mr Poulson, when the deal was made with the Railways to buy the line.

The whole matter, said Mr Poulson, was another example of too much being done from Wellington, without thought being given to the people on the spot. It was also a pity when there had been so much local support, not to have another look at the idea of keeping at least part of the line open.



GRAHAM HOLGATE using a compressor to remove bolts from the railway track near Conical Hill. He is one of the workers employed by Timaru contractor Mr Pat Heffernan taking up the Heriot-Waipahi railway line.

RECEIVED
22 JUL 1981
MINISTER'S OFFICE

Mr C.E. McLachlan.
Minister Of Railways.
Parliament House.
WELLINGTON.

P.O. Box 605.
INVERCARGILL.
20th July 1981.

Dear Mr McLachlan,

Re Closed Tapanui Branch Railway.

I am writing on behalf of a group of persons interested in purchasing a section of the closed Tapanui Branch Railway. The section is the six kilometers between Waipahi and the first road crossing after the tunnel. (as shown by the enclosed map).

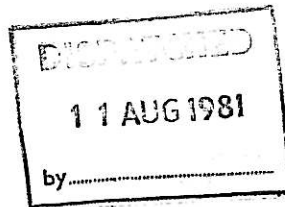
We feel that with its isolation, and natural scenic beauty it would be a worthy preservation project for our own interests, as well as providing pleasure for the local children.

Most of the track is hewn out of solid rock, and we would suggest of little benefit to adjoining Farmers.

Accordingly we have collected together \$10,000 (Ten Thousand Dollars) which we would like to tender to you for the purchase of this land and the intact Railway track there on. There would also be ongoing business with your department by our purchase of surplus materials and rolling stock.

As this line would not run to any designated terminus we would like to, with your kind permission, name our project the COLIN McLACHLAN MEMORIAL RAILWAY. We hope you will favourably consider our request.

Yours Faithfully.
D.W. Donaghy.
D.W. Donaghy.
CONVENOR.



Mr D.W. Donaghy
Convener
P.O. Box 605
INVERCARGILL

Dear Mr Donaghy,

On 20 July you wrote to me about the possibility of purchasing a section of the closed Tapanui Branch Railway.



I am sorry to have to inform you that the whole of the trackwork on this Branch was sold by tender in January of this year. The successful tenderer will be making arrangements to dispose of the trackwork soon and when this work is completed the land will then become the property of the Lands and Survey Department.

I realise this information will dash your hopes of re-opening a part of the Branch and I know you will be disappointed about this. However, you may derive some consolation from the knowledge that a railway, no matter on how small a scale, is particularly expensive to purchase maintain and operate. The enthusiasm of your group is to be commended and I regret I cannot be more helpful.

Yours sincerely,

(S) A. G. MALCOLM

MINISTER OF RAILWAYS



New Zealand Railways

Land Division
Wellington,

CHIEF ADMIN. OFFICER

Telephone 8827
Mr Howman

Your Reference 17/4650/1 of 21 December 1978
Our Reference L.O.30408/62

26 August 1981

GENERAL MANAGER

CLOSURE TAPANUI BRANCH

The lifting of the Permanent Way on this Branch was let by contract in January 1981. The contractor has now lifted sleepers from the end of the line (Heriot) to Conical Hill. Rails have been lifted from Heriot to Glenkenich. The work is continuing steadily and the Chief Civil Engineer anticipates that the Permanent Way will have been lifted by the end of the year.

I now propose to hand over the administration of all the land from Tapanui back to the Waipahi River (a suitable boundary to save survey) together with the assets shown on the attached list to the Commissioner of Crown Lands for disposal subject to the contractor having access to complete the lifting of the trackwork. *The C.C.E. concurs.*

Will you kindly approve.

L.S. Harding
L.S. Harding
DIRECTOR

MR WENHAM SEE FLANGE
OK 2/9/81

Directo Land Division
TO NEW ZEALAND RAILWAYS
G.W. Coon
3/9/81 Per: *AS*

SIGNED—NOTED
RECEIVED

LAND OFFICER
PER: *Derholm*

done
transferred to MS Purdy 2/9/81
see return to me for note of 2/9/81
and stamp for the Minister
A.C.A.O. 2/1/81

TAPANUI BRANCH ASSETS

Double-arm Semaphore Signal @ 0.47 km

Tunnel No. 1 @ 5.51 km

Bridges Nos. 2 to 17 - all timber spans

State Forest Siding : Shelter Hut

Pomahaka : Goods Shed - sold in 1978 to Newtonmore Farms Ltd.
Low level loading Bank on land leased by
Newtonmore Farms Ltd.

Glenkennick : Low level loading bank
Stockyards

Tapanui : Station Building - leased to Ross Donald
Alexandra (No. 49521)
Coal Shed
200 gal. Water tank and stand
Goods Shed
Low Level Loading Bank

Kelso : Goods Shed
Low level loading bank
High Level loading bank

Heriot : Station Building
Coal Shed
200 gal. Water tank and stand
Goods Shed - leased to Donald Reid/Otago Farmers
Limited (No. 48921)
Low level loading bank
Trolley Shed
House No. 53 - leased to Meha Tapsell (No. 49629)
House No. 162 - leased to West Otago Transport
(No. 49443)