

APPENDIX.

CO-ORDINATION OF TRANSPORT.

The following particulars are given as information bearing upon the above question.

IN OTHER COUNTRIES.

Co-ordination of transport is now regarded in most countries as desirable, and, indeed, essential in the public interest.

In some instances the Governments concerned have adopted a system of control through the method of licensing; in others, investigation is still being made with a view to placing the whole business of transportation on a satisfactory basis. Any investigation of the problem must, of course, include all forms of internal commercial transport, and it is along these lines that the Royal Commission on Transport, which will shortly commence its investigations in England, will proceed in an endeavour to arrive at a means of co-ordinating the various services.

The Commission's terms of reference are: "To take into consideration the problems arising out of the growth of road traffic, and, with a view to securing the employment of the available means of transport in Great Britain (including transport by sea, coastwise, and by ferries) to the greatest public advantage, to consider and report what measures, if any, should be adopted for their better regulation and control, and, so far as is desirable in the public interest, to promote their co-ordinated working and development."

In Germany, Italy, Austria, the United States of America, South Australia, and Victoria a system of regulation has been instituted with a view to avoiding wasteful competition. Without giving a detailed statement of the regulations which have been instituted in these countries, it is considered desirable to draw attention to a number of major conditions which have been introduced.

In Italy road motor services are only permitted under certain conditions, viz.:—

- (1) As feeding services to the railway from and to towns or villages not served by railway-stations;
- (2) As feeding services in towns and urban districts where one station has to serve urban areas;
- (3) For intercommunication between towns which are not connected up by any direct railway service.

In Hungary and in Austria, before a license is granted to a road motor enterprise, the application is first referred to the railway for an expression of opinion. In the former country no license is granted on roads running parallel with the railway, and in the latter, the rates for bus-transport concerns are generally kept 15 per cent. above those of the railway.

United States.

Legislative powers exist in the majority of the States for the regulation of road motor traffic, and permission to operate such vehicles is not given unless the proposed service is a public convenience and necessity. Sixty-four railway companies are operating a total of 1,050 motor-coaches for the carriage of passengers, and forty-five railways are operating a total of 4,902 motor-lorries for goods traffic.

The trend of legislation in the United States may be gauged from the following two decisions of the superior tribunals dealing with the transport of that country:—

Railroads have permanent road-beds and trackage which require an outlay of millions of dollars, and which in turn yield large revenue to the people of the State. The average bus line is incorporated for a comparatively small sum. The railroad is of vastly greater financial responsibility. This is a matter of substantial public interest, particularly in cases of accident. It is the established policy of the law in this State that a public utility be allowed to earn a fair return on its investments. It is therefore not only unjust, but poor economy, to grant to a much less responsible utility company the right to compete for the business of carrying passengers by paralleling its line, unless it appears that the necessary service cannot be furnished by such railroad. Appellants offer to provide whatever increase in accommodations and service is deemed essential to meet the public convenience and necessity. It is but consonant with our law regulating public utilities that they be given opportunity to do so. It is argued that appellants cannot give the necessary service except at a large loss. Such argument is beside the question involved in the proceedings before the Commission in this case. Appellants have stated that they are willing and able to give such services, and it appears clear that the Commission is not justified in granting a certificate of convenience and necessity to a competing line until the utility in the field has had an opportunity to demonstrate the truth of its statement and to give the required service.

When a railroad was one of several applicants to operate motor-buses over a highway between points served by the railroad, and was fully qualified to render the additional service proposed, the West Virginia Supreme Court held that the State Road Commission should ordinarily give preference to the rail carrier. The Court further held that the railroads performed vital services which bus companies could not perform, and afforded greater security in carrying on bus service, so that the interests of the public would be met by giving the rail carriers a certificate of convenience.