

*Mr. Sullivan.*] There might be difficulty in getting a Judge if the work accumulated.

*Witness :* That is possible, of course. Clause 36 seems to create, as does the main object of the Bill, a private right in the King's highways. We claim for our people the immemorial right to the King's highway. It is the King's highway, and therefore the highway of the subject, and no vested right in it should be created. I know that goes to the fundamentals of the Bill, but I think the Bill is attacking a fundamental principle which should not be attacked.

*The Chairman.*] Briefly, you are against giving any sole right of the road to any one?—I would not go as far as that. I think we might adopt the American system, whereby if A is in a position to give better service in the transport of passengers and goods than B, and A has sufficient financial standing, he should have a license; and A would continue until some one else came along and beat him. We say that is as far as any rights should go over the public highway. Of course, public safety and public convenience should be considered, using the term "public convenience" in its broadest sense. This arrangement would satisfy these principles in the highest degree consistent with economy.

*Hon. Mr. Veitch :* This does not provide that there shall be only one service on one road. Perhaps I might intervene and explain what is intended. It is not intended to eliminate competition entirely, but it is intended to eliminate the competition of the pirate, who simply comes in and makes the business ruinous to himself. There will be ample room for competition on the roads under this Bill. This only provides for the licensing of the services, but that would not give the exclusive right to run on the road—it would mean that no one else could come in and compete without a license, and it is hoped in that way to exclude the pirate, but not to eliminate competition.

*Witness :* We were told that the Motor-omnibus Act did not propose to eliminate competition, but we know the effect of it. I will be able to give some figures later respecting this effect. And we are very much afraid that the present Bill rather amplifies and strengthens the powers that that Act gave.

*The Hon. Mr. Veitch :* The power we had then was the power given to a local body to eliminate its own competitors. That is one injustice that you are complaining of. But this Bill takes away the power of the local body to eliminate competitors, and puts it in the hands of another. This Bill would overcome your difficulty.

*Witness :* I cannot see much provision in the Bill for any kind of competition at all. We know what happened over the last Act, and we know the results.

*Hon. Mr. Veitch :* This eliminates the principle of the last Act and adopts a new one.

*The Chairman.*] At any rate, you want to see the ground open for competition?—Quite. Of course, in regard to the system I have suggested, I have merely indicated the direction in which it operates; I have not attempted to go into details. Any one can see that possibly two services might run parallel on the same route.

*Mr. Williams.*] When you say you would give A or B a license until some one beats him, he would have to have some terms to tender on. You could not expect him to accept a license for, say, a week?—No. I should say not less than a year, and possibly in some circumstances, with proper protection, for five years. It simply introduces the element of competitive tendering. Clause 39 seems to take away the right of these independent licensing authorities to grant a license to any one else if an application is made by the Minister of Railways. That has a particular application in our district. Some of the gentlemen on the Committee know the position. We are in the western suburbs there and we are served by the northern railway. We live west, and when you leave Auckland by train for our district you go directly east—you encircle the city and encounter a back-shunt at Newmarket, which takes time, and after twenty minutes' travelling, for which you have paid mileage, you find yourself back where you started from; so that we are particularly concerned. It does not appear that the Appeal Board is in a position to say that the railway service is not satisfactory to the district—as it is not—and they must grant a license to the Railway Department to the exclusion of every one else; so that from the point of view of our district this is a particularly dangerous clause. For some years New Lynn made no progress at all, beyond the progress which would have been occasioned by the introduction of certain industries, some of which I was connected with, in the district. When the motor-buses came along the situation was entirely changed and rapid progress was made.

*The Chairman.*] But you understand that this applies not to the Railway Department itself, but to a Railway bus service?—Yes. If the Railway bus service is to be subject to competition under the clause suggested, then I have no objection to offer; but if that is not so, then I have objection to it. Part IV brings goods under the provisions of the Act. That, of course, concerns us all—all who are interested in industry—and we believe it will have the effect of further crippling industries. I say that advisedly, because I think the industries of this country are in rather a bad way at present. Unemployment figures seem to prove that without much further consideration. It will have the effect of forcing industries into crowded centres, which is not good.

*The Chairman.*] You think it will eliminate competition on the road: is that your point?—Yes. It will increase transport costs, which are of vital interest in any industry. It will eliminate competition to some extent in the transport of goods, and so increase the cost. The main object of the Bill seems to be to cut out competition and create monopolies in the transport business. For the moment I will deal with passengers only. As I mentioned a moment ago, when the buses first came along a fairly good service was put in to New Lynn and the other districts I represent. I will deal with the New Lynn figures first. From 1921 to 1925 the increase in population in New Lynn was 83 per cent. I think that was a record in New Zealand for a place of that size. Glen Eden, a smaller place, increased 100 per cent. The local authorities of New Zealand anticipated—I think, quite properly—that that increase would continue, and they put in a sewage system at a cost of £80,000, and a water system, and they borrowed money which went towards making the concrete road to Henderson. That, by the