

buses ; but he says that in many cases these buses are trackless trams, and that the authorities who use trackless trams in England are doing so for two reasons—(1) they are unable to face the present-day cost of re-laying track, and (2) the construction of bitumen, tar-sealed, and concrete roads affords a track which is quite satisfactory for all purposes in their localities to provide a trackless-car system. The Wellington Tramway Engineer also is of opinion that it is impossible to move large masses of people as economically by petrol-buses as by tram-cars. This experience is confirmed by the running of buses in the city, all of which run at a loss. The Municipal Association is doubtful whether motor-omnibus services or ordinary motor-car services are payable propositions. Some services may pay, such as the Bell bus service running to Khandallah, or on particularly favoured runs, but the general opinion of the experts who advise local bodies is that proper allowances are never made for depreciation and renewals, and that if such proper charges were made many firms which at present are able to be dividend-paying concerns would be shown to be running at a loss. The matter is a serious one from a national point of view. The position is that the local transport bodies think that their services, which provide transport for city people at very cheap rates, should be conserved as far as possible, and that no obstructions whatever should be put in the way of the development of trackless trams. With regard to clause 11, refund of registration fees, the association sees no reason why the registration fee should be refunded ; in fact, the association is of opinion that this clause displays an excessive tenderness towards the motor interests. With regard to clause 12, exemptions granted to motor-vehicles owned by local or public authorities, these exemptions are abolished. This is another turn of the screw that the Government proposes to put on local bodies. The effect on local bodies is more far-reaching than appears at first sight. It is not merely a matter of making the local body pay the license fee, but it is a matter of taking away the exemption from taxation under the Motor-spirit Taxation Act. The present law exempts vehicles owned by local bodies engaged in the formation and maintenance of roads or streets, and the Motor-spirits Taxation Act provides for a refund of taxation in respect of the petrol used by these vehicles. The result will be that Wellington will lose the benefit of that exemption, a benefit which amounts to-day to £1,250 a year. Under the clause which appears later, transferring the administration of the heavy-traffic fees to the Government from the local bodies, Wellington will lose about £1,500 a year. This will mean that Wellington's traffic department will have to bear excessive overhead charges. This department is at present housed in a building the rent of which is between £500 and £600 a year, and the probability is that if the transferences of functions proposed by this Act are to be carried out this department will have to be mutilated or merged into some other department. The city has built up a system which is quite effective so far as Wellington is concerned, and more effective than any department controlled under centralized administration could be, and this is another institution that is being undermined. It may be alleged that outside small bodies are not giving the efficiency in administration that is required ; but, if that is so, it could be overcome by transferring their administrative powers to boroughs which have officers capable of administering the same. I will refer to this later. We see no objection to clauses 13 and 14. With regard to clause 15, this is a further indulgence to the motor-dealer. At present a transferrable plate is limited to vehicles held for sale or for the purposes of his business as a manufacturer of or dealer in motor-vehicles. Clause 16 takes the licensing of motor-vehicles out of the hands of the local authorities and vests it in the Registrar or Deputy Registrar of motor-vehicles. Unless this work is done by the police this section will entail the creation of a new set of Government officials. Even if the police acted they would have to get some additional employees, but if a new Department is created the expense will be very heavy. The only excuse for this legislation is that some of the local bodies have issued certificates without examination. The larger local bodies will certainly be as efficient as, if not more efficient than, any Government Department acting by officials scattered throughout the country and subject to practically no supervision. Of course, if the police handle the matter it may be different ; but, in any case, the police would have to employ experts. The clause as it at present stands seems to say that the clerical work of issuing these licenses will be dealt with by the Registrar, and examination of the drivers will be conducted by the local authority. We do not know whether the Department will take over any part of the examining or not, but this is one of the items whereby revenue will be taken from the local authorities. The city has a department which is now costing about £11,000 for its Inspectors, collecting the heavy-traffic fees and doing the examinations. Part of this will go, and our overhead expenses will increase.

*Mr. Sullivan :* When the Bill was passed I asked the Prime Minister that specific question. I asked, "Does this mean a reduction in revenue to the local authorities ?" and he said, "No."

*Witness :* But an amount must be taken off the fees, under subclause (4), to pay for the administration. The fee for licenses at present is 5s. If this is forced upon us we want to limit the amount not to exceed 1s., but if they are going to get the real cost of administration there will not be much of that 5s. left for the local bodies. The examinations to-day cost us more than 5s. on an average, but when it is taken in connection with our other work—the fact that we have our overhead charges going on all the time—the taking-away of this is a serious matter. We have to pay over £500 a year in rent for our department at present, and there are overhead charges as well, so that every fee or part of a fee taken away means an increase in our overhead charges. We want, if possible, to have this examining done by the local authorities.

*Mr. Ansell :* What does your Inspectors' department cost ?

*Witness :* £11,000 a year. As against that we have the collection of heavy-traffic fees over the present district, which will be done away with in this Bill. We get about £1,500 from that. It simply means that this department of ours will have to be reconstructed and probably merged with another department if we are to run it economically, and there will not be the efficiency in the traffic inspection. The question is whether we will be able to go on with the inspection of motorists for certificates, and whether it will not cost the Government much more if the Government does the