

Court could give anything it liked under that heading. Suppose a man was running two buses and he was making £1,500 a year: they could capitalize his interest at 5 or 10 per cent. and give him anything they liked. If those words, "together with such amount, if any, as is agreed upon by the parties or as is considered reasonable by the Compensation Court as compensation for the loss suffered by the claimant, by reason of the refusal of the licensing authority to renew his license," are allowed to remain it will be too dangerous a clause for any local body to attempt to exercise, because the initial cost would be so much that it would be impossible to carry on the service except at great loss. There is no reason for the insertion of those words.

*Hon. Mr. Veitch.*] Suppose a man started a service, say, in the vicinity of Wellington, and made a loss for the first three or four years, and then his service began to pay him, do you consider that it would be reasonable for the Wellington City Council to come along and take his business over and pay him nothing for the losses he has sustained in building the service up to a payable point, and that he should hand over such developed and paying business to the Council without compensation?—But those cases do not exist. The point is that that man should not start unless it would pay from the commencement.

Surely he might think it would pay?—The best thing would be for him to stop when he found it was not paying. If he runs for four years—

I submit that is not an answer to my question. I have given you a hypothetical case. In such a case do you consider it reasonable that the City Council should take over that man's business?—No; but that is not what is proposed here. It is proposed to give him goodwill on his present profits, capitalized on such terms as the Compensation Court thinks fit. If it is a case of a man making losses, there would be no objection to making allowance for them in the compensation, because if it is a losing proposition the local bodies are not going to take it over; they will not be anxious to take over a service which has returned a profit for only one year.

*Hon. Mr. Veitch:* As to your suggestion that this proposal emanated from the motor interests, there are members of the advisory council here, and they will tell you that that proposal was in the Bill when it was submitted to the advisory council before any of them knew anything about it.

*Witness:* Well, then, the advisory council is not responsible for the Bill.

*Hon. Mr. Veitch:* No; I am responsible for the Bill.

*Witness:* The advisory council had nothing to do with the compilation of the Bill?

*Hon. Mr. Veitch:* I am defending myself from your implied suggestion that I was influenced by the private motorists.

*Witness:* I do not put it that way; I say that you have been affected by the advisory council.

*Hon. Mr. Veitch:* My answer to that is that I could not possibly have been affected. The Mayor of Wellington is present in the room, and he knows that that was put into the Bill by me, and it was in the Bill that was submitted to the advisory council. I am quite certain that I myself gave definite instructions to have that included in the Bill, and that it was in the Bill which went to the council. Further, I suggest that it is not necessary to suggest to this Committee that ulterior motives actuated me in drafting this Bill.

*The Chairman:* That is just the point I was going to raise—it is not a question of how certain provisions were incorporated in the Bill.

*Witness:* I do not suggest there were any ulterior motives.

*Hon. Mr. Veitch:* I think you definitely stated that.

*Witness:* No. I would like to make it quite clear that so far as the Minister is concerned I do not impute anything of the kind. The motor people are looking after their interests—naturally. I would point out that this clause was not in the 1926 Bill, and it is viewed with great alarm by the local bodies, who would like to take advantage of the clause, but cannot do so if the words I have referred to remain. If the Compensation Courts act in the way they have been acting in New Zealand during the past few years, such provisions relating to compensation would deter any prudent local authority from objecting. With regard to clause 40, this empowers the Commissioner of Transport to grant a permit for use of motor-omnibuses on special occasions. I think these special occasions should be defined. They are not defined in the Act. The provisions that exist at present merely enable the Commissioner to give a temporary license at his own discretion to any person to use a motor-omnibus on such days as he absolutely thinks fit. This power could be abused. We submit that if this is exercised by the Commissioner of Transport he can give collateral licenses to any extent, and we think that if any licenses are granted they should be granted by the present licensing authorities.

*Mr. Sullivan:* Clause 40 would not work if that were done. There would be no time to deal with an application from, say, the Bluff.

*Witness:* They could make their applications in advance. We submit that the whole scheme should be dropped. If this power is to be exercised by some one not conversant with the local conditions, there will be chaos.

*Mr. Murdoch.*] You suggest that the authorities should be in different centres?—Yes; the licensing authorities should remain as they are. We suggest that you should strike out the words "The Commissioner of Transport may," and insert in lieu thereof the words "Any local authority may in respect of any streets or public highways within the jurisdiction of such local authority," and at the end of that subsection the words "and may in respect of such permit charge and receive before the issue of the permit such fee as such local authority thinks fit in respect of such permit." Clause 41 provides that motor-omnibus drivers' licenses shall be issued by the Registrar or Deputy Registrar of Motor-vehicles. This is another instance of centralization, and we object to it. Clause 42 relates to inquiries into accidents affecting motor-omnibuses. The Minister is authorized to appoint a person or persons to make an investigation as to any accident in respect of motor-omnibus traffic, and the