

*Mr. Broadfoot.*] You have a process for liquefying brown coal to-day at a price which would successfully compete with the imported stuff, I believe?—We are hoping to do that.

*Mr. Williams.*] I would like you to look into the matter and submit a scheme, if possible?—I will be pleased to look into that, because we have a lot of brown coal that is not available for household uses.

There must be some substitute for taxation somewhere else if the oil is produced in New Zealand. You say that a tax on locally-produced oil will interfere with the local industry, yet you say also that the heavy-traffic fees are not sufficient to keep the roads in repair now. If that is so, what will happen if we drop this 4d.-a-gallon tax on locally-produced oil?—If it happens that New Zealand could produce the oil cheaply, to compete successfully with the imported stuff, the motor associations would consider paying more, once they had it. They would be glad to pay heavier license fees; but if you leave the tax in the Bill as it is now it will have the effect of putting off the production of oil in New Zealand.

That is the view you take of it?—Yes.

*Mr. Parry.*] Would it not be better to wait until we find the oil?—Yes, that is the point.

In reply to a question, you said you did not want the Bill. I take it, you mean this Bill?—Yes, I mean this Bill in its present form.

You do not think much of it?—No.

Have you any suggestion to make with regard to what should be done: do you think we should wait and have a comprehensive Bill?—Yes; and that it should be sent to the Municipal Associations so that they can consider it and bring constructive criticism to bear on it. We only met yesterday, and have had no time to study it thoroughly.

Do you think it would be a good idea for the municipal authorities to draft a Bill of their own and submit it to the Minister?—I dare say they could do that; but they want to know what the comprehensive measure is—the Minister says this is only a step.

*Mr. Sullivan.*] So far as it goes, you are satisfied with the existing law? I take it that you agree with Mr. O'Shea's statement?—Yes.

*Mr. Parry.*] If the municipalities brought down a Bill, I take it they would see to it that it covered the ideas of the municipalities?—Oh, yes.

And they would embody a foundation on which the Department could build?—Yes.

*The Chairman.*] The rural districts might not agree?—That is a big point, I know.

*Hon. Mr. Veitch.*] You realize that motor transport has grown from being a very insignificant activity to one of very great importance to the country?—Yes, and it is growing and increasing every year.

Do you realize that it is necessary that we should have some comprehensive method of regulating motor transport in order to make it safe and in the best interests of the people?—Certainly.

Do you realize that the existing licensing authorities—that is, in connection with the motor services, not drivers—do not cover the whole Dominion?—No, I did not know that.

As a matter of fact that is the position. There are areas in the Dominion not covered by any licensing authority. You realize, I suppose, that motor services are very important?—Yes.

And that it is necessary in the interests of public safety, if for no other reason, that definite provision should be made to safeguard the public interest in this connection?—Yes.

Do you realize that the present existing licensing authorities cannot possibly deal with all those services, seeing that they run from places like Wellington to New Plymouth, Dunedin to Christchurch, through the West Coast, to Invercargill, and in other remote places?—They could easily be made to handle that.

Which local authority would you empower to license services between Christchurch and Invercargill?—The authority from where the buses start.

Suppose one was registered in one place and one in another, how would you arrange for that?—I do not know.

The Government?—Yes.

Yes; well, that is the point we have come to—the responsibility of the Government, the necessity for comprehensive legislation dealing with a very important and extremely valuable transport service that has grown up in every part of the country?—Yes.

This Bill is intended to take hold of the position, and not to interfere unnecessarily with the rights of our citizens; but we are asking the municipal authorities to recognize that the position has grown beyond the point when it can be controlled by a number of local authorities, each managing in their own particular district—in short, that it has become a national question?—Yes.

*Hon. Mr. Veitch.* : I am sure that whatever happens in regard to this legislation—and I believe we will get it on the statute-book—when you have studied it more carefully you will support it. Whatever the provisions later may be—the conflict of interest as between motorists, motor-owners (private and commercial) on the one hand, and local bodies on the other—a most careful balance will always be maintained as between them. I can assure you of that. There is nothing further from the mind of the Government than taking away the rights and prerogatives of local bodies. No Government would be worthy of its name if it did not recognize the valuable service given to the people by those who have worked for nothing by serving on local authorities.

J. K. ARCHER, Mayor of Christchurch, examined. (No. 3.)

*Mr. Archer.* : The first thing we have to suggest is that this Bill is so complicated and far-reaching, and the public bodies have had so little time to consider it, that it should not be proceeded with this session, but that it should be carefully considered between now and next session and then proceeded with. The second thing is that, so far as we in Christchurch are concerned, we are not opposing change, because we realize that the time has come when this matter must be dealt with in an exhaustive