

place a certain destructive force on the roads because they are not running on tracks, but I would point out that if the Council is going to run trackless cars it will see that it puts down a proper bed to carry them. The bitumen or surfacing it will be compelled to put down will be equivalent to the old tramway-bed with its rails as formerly used in the case of a car with a track.

In any case, on your own roads, paid for without Government assistance?—Exactly. The contention of the local bodies is that with regard to heavy vehicles, whether trackless cars, buses, or trucks, used in the construction and maintenance of their own roads, and run within the confines of the borough, they should not be charged any heavy-traffic fees whatever. That was unanimously and very strongly urged at our Municipal Association Conference. Perhaps the most serious defect in the Bill, according to the opinion of the members of my Association, is in the concession which is made to bus and service-car owners with regard to goodwill. Again a unanimous opinion was expressed there that in the use of the roads and streets by any private owners there should be no authority given to run for all time. They strongly recommend that yearly authorities should be granted for all services privately owned, and if the service should at any time be taken over by the Government or local body, then full compensation should be paid for all cars, buildings, or land, or whatever plant that might be used, but that goodwill should not be provided for. The Municipal Association considers that in giving a private service protection against competition the Government has granted it a very valuable concession, which, if taken over later in the interests of the owners of the roads—viz., the people—then the people should not be penalized in having to pay for a concession which they formerly granted without any charge. I think that must be apparent to members of the Committee. Surely if something is being given for nothing, nothing should be paid for it when public necessity requires it later, or provision should be made at least by means of a yearly authority for the resumption of the public use later. When an individual or a corporation leases a property which it may probably require later for its own use, then the lease is invariably a short one. In the case of giving protection against competition on the roads, it is contended that such should not be given in perpetuity, but should be from year to year only, with, say, a year's notice of discontinuance to enable the proprietor to make other arrangements.

*Mr. Broadfoot.*] Supposing a man has an established service, how is he going to be recompensed?—He would be recompensed by the Government or local body paying him for his cars, his building, and his plant, and the whole thing would be taken over as a running concern, but no goodwill for the right of his special and unrestricted right to run on the roads. Our contention is that if he gets exemption from competition, that is a very valuable concession. While it might be quite safe to grant a monopoly to a representative body of the people to use for the people, it is not right nor democratic that monopolies should be given for all time to individuals or companies to use for private profit. That is the whole contention, and that is the most serious objection we have to the Bill.

*Mr. Sullivan.*] That is something you want in the Bill?—We want what is in the Bill struck out, or some protection given.

That is something you want put into the Bill, so that licenses shall terminate at the end of each year?—Yes. I would like to draw attention to this fact: that the license so far as the bus is concerned is a yearly matter, but so far as the authority to run is concerned it is not a yearly matter.

*The Chairman.*] In short terms, we would suffer from a monopoly?—Yes, that is, a private monopoly. We hold that it is quite safe to give a public body a monopoly, for the reason that it is not trading for profit.

*Mr. Broadfoot.*] But the question of efficiency comes in again?—Exactly; and we hold it can be more efficient as well. It is true that the tramways in the cities have a monopoly now; but they, as I said, belong to the people. And there is also this very important factor that I want you to bear in mind in regard to the tramways, and that is that they bear a very large proportion of the cost of construction as well as the maintenance of the road. At least one-third of the road is taken up by the tramway-track, and for that one-third they have to pay, so that the tramways do make a very large contribution which the buses or private service car never do make, and the amount which buses pay in heavy-traffic fees is but a fraction of the cost which the tramways have to bear.

*Mr. Ansell.*] Do you take these figures into consideration in assessing your profits?—Yes. To obtain such a valuable concession as freedom from competition, even on a year-to-year authority, the right should carry with it the obligation to bear a rightful proportion of the cost of maintenance and improvement of the road. If we are going to give these service cars and omnibuses this right, then the whole question of the construction or destruction of the road by these vehicles should be closely examined, and they should bear their rightful proportion, which the heavy-traffic fee does not now provide for. If the provision to grant running-rights in perpetuity and goodwill on resumption by the Government or local bodies is not deleted from the Bill, the rights of the people, held since the foundation of this Dominion, which are being given away, will only be resumed in the future at the cost of many millions of pounds, for the road transport of this Dominion is at the present time only in its infancy. I might also point out that this question of goodwill could be made transferable, and the transfers could be so arranged that the goodwill value would be so grossly exaggerated that it would be quite impossible for public bodies to resume. Public bodies know only too well how compulsory resumptions are often impossible, on the score of the unreasonable claims which are piled up against them. Every endeavour should be made to protect them in this respect. I just want to point out in conclusion, in regard to mail contracts, that there will be the greatest difficulty, if we are going to restrict competition on the roads, to satisfactorily let mail contracts. Competitive tenders cannot be obtained when only one service, which has the exclusive right to carry passengers, has the running-rights. A service carrying mails without the rights to carry passengers would never pay, or to make it pay it would mean excessive cost for the mail-carriage. It would mean that the Government would have to give the man who had the monopoly practically what he liked. That is a matter outside our municipalities, but it is an important one. Then, with regard to annual statements of finance,