Primarily, two broad tests are applied: Firstly, is the proposed service necessary or desirable in the public interest; and, secondly, do the needs of the district or districts as a whole in relation to passenger-transport warrant the service?

If these two tests are fulfilled, the Act provides that Licensing Authorities shall consider the following:

"(a) The financial ability of the applicant to carry on the proposed service, and the like lihood of his carrying it on satisfactorily:

"(b) Time-tables or frequency of the proposed service:

"(c) The fares proposed to be charged or made for the carriage of passengers:

"(d) The transport services of any kind, whether by land or water, already provided in respect of the localities to be served and in respect of the proposed routes:

"(e) The transport requirements of such localities, including such requirements in respect of the carriage of mails:

" (f) The vehicles proposed to be used in connection with the service:

"(g) The conditions of roads and streets to be traversed on the route or routes, and any restrictions of load or speed, or other lawful restrictions affecting vehicles of the type or class proposed to be used, including restrictions arising out of the classification of roads and streets under section 166 of the Public Works Act, 1928:

"(h) Any evidence and representations received by it at the public sitting, and any representations otherwise made by the Government Railways Board, local authorities, or other public bodies, or any persons carrying on transport services of any kind (whether by land or water) likely to be affected, and any representations contained in any petition presented to it signed by not fewer than twenty-five adult residents of any locality proposed to be served:

Provided that before taking into consideration any adverse representations made otherwise than at the public sitting the Licensing Authority shall give the applicant and all other persons likely to be affected a reasonable opportunity to reply

to such representations.

The Act does not provide for compensation in cases where licenses are not granted, but section 28 provides that a license shall not be refused in any case where the applicant, having made his application before the appointed day, satisfies the Licensing Authority:

"(a) That at the passing of this Act and at the date of his application the applicant was carrying on, pursuant to a license under the Motor-omnibus Traffic Act, 1926, the

service in respect of which the application is made; or

"(b) That on the first day of April, nineteen hundred and thirty-one, and continuously thereafter until the date of his application, the applicant was, otherwise than pursuant to a license under the Motor-omnibus Traffic Act, 1926, lawfully carrying on the service in respect of which the application is made, and that such service was not carried on in competition with a licensed motor-omnibus service; or

"(c) That the applicant, being a person lawfully carrying on a passenger-service in competition with a licensed motor-omnibus service, had established such a passenger-service before the passing of the Motor-omnibus Traffic Act, 1926, and had continuously carried on such service from its establishment until the date of his application; or

"(d) In the case of an application for a license in respect of a seasonal service, that the applicant lawfully and continuously carried on substantially the same service during the two seasons immediately preceding the appointed day, or where that day falls in such a season that the applicant is then uninterruptedly carrying on such service and substantially so carried it on during the whole of the immediately preceding season:

"Provided that no such service shall be deemed to have ceased to be continuously carried on by reason of any interruption by flood, closing of roads or streets, or any other cause whatever beyond the control of the applicant."

Matters to be fixed by Licensing Authorities.

Section 30 of the Act provides that in granting any passenger-service license the Licensing Authority shall prescribe:-

"(a) The class of license (whether continuous, seasonal, or temporary) and the period or occasion of the license:

- "(b) The class and number of passenger-service vehicles to be used in connection with the service, and the seating and other accommodation for passengers of each such vehicle by reference to a minimum number or a maximum number or to both such numbers:
- "(c) A date not later than which the service shall be commenced:

"(d) The localities to be served and the route or routes to be traversed:

"(e) The time-tables or frequency of service to be observed:

"(f) The fares to be charged for the carriage of passengers and (where goods are also to be carried) the charges to be made for the carriage of goods:

"(g) Such other matters and conditions as may be prescribed by regulations under this Act, or as the licensing authority thinks proper."