

APPENDICES.

- IA. DECISION ON APPEAL FROM No. 9 AUTHORITY.
- IB. DECISION ON APPEAL FROM No. 2 AUTHORITY.
- II. REPORTS (2) TO MINISTER.
- III. DECISION IN AIR TRUNK SERVICE.

APPENDIX IA.

Dunedin, 9th November, 1934.

In the matter of the Transport Licensing Act, 1931,
and its amendments ;

and

In the matter of appeals lodged by GEORGE HERBERT FOX, of Alexandra, and SAMUEL ROBINS, WILLIAM S. ROBINS, and RONALD DANIEL BENNIE (trading as Robins and Co.), of Dunedin, goods-service operators, against the decision of the No. 9 Transport Licensing Authority.

DECISION OF TRANSPORT CO-ORDINATION BOARD.

BOTH of these appeals are against the decision of the No. 9 Authority refusing the renewal of a route license from Alexandra to Dunedin in the one case and Cromwell to Dunedin in the other. With the exception of the route between Alexandra and Roxburgh, the whole journey is run parallel to an existing railway-line. The operations of the appellants affect two rail routes : that from Cromwell to Dunedin by what may be termed the Otago Central Railway, and also that from Roxburgh to Dunedin. That both services are in substantial competition with the existing railway branches cannot be denied, and the question at issue is the effect of such competition on the lines referred to, and the necessity or otherwise of preserving the continuance of the rail services.

There are in addition certain differences between the operators *inter se*, but these may be put on one side for the moment.

The consideration of these appeals involves an important question of principle which has been the subject of much opinion the world over. As a result of experience, however, it may now be said that certain fundamental principles have evolved which may be applied as a general test in circumstances similar to the present.

The principles which have been fairly generally adopted may be briefly set out as follows :—

That every community is entitled to use those means of transportation which it prefers cannot properly be questioned by any one, we think. Those who have a railway and can support it have a right to their choice. Those who prefer motor transportation have a similar right, and this extends equally to any other form of transport. Where, however, a community has at its disposal many or, as most communities have, several means of transportation, and it has exercised its choice in the form of patronage, it must realize that those means of transportation which its choice has eliminated from patronage may not be able to continue to exist without such patronage and that abandonment must follow as a last resort. A community that can support every known means of transportation is unquestionably entitled to them all, but a community which can support only one cannot insist upon the retention of two if the patronage accorded to the least favoured one is not sufficient to enable it to live.

Applying these broad principles, we arrive at this inevitable conclusion : that the continuance of the route licenses in question must have a very serious effect on the ultimate retention of these two branch lines. We regard the retention of the Otago Central Railway as of vital importance to the welfare of the district, and we feel it our duty to prevent any road service from placing it in jeopardy. It has been publicly stated on occasions that the Transport Licensing Act is primarily designed for the protection of our railways. It may be appropriate to say that nothing will influence the Board to administer the Act on that principle. The railway is merely one link—though perforce the most important link in the national transportation system—and it will receive only the consideration to which it is entitled comparable with the services it is rendering to the community.

Evidence on questions of this nature is always sharply divided, and it falls upon this Board to make a choice for the community where one essential form of transport is in danger. The fact of the line being a particularly expensive one to construct does not weigh with us to any great extent. The real measure of value is the services rendered to the public.

We cannot escape the obvious conclusion that the abandonment of the Otago Central line would be disastrous to the community as a whole in the district. The curtailment of the route services will be a hardship on the portion of the community, and also on the operators themselves. We regret that this cannot be avoided. We uphold the decision given by the No. 9 Authority, and dismiss the appeals accordingly.

In the particular circumstances we do not propose to make any order as to costs.