

A further trend is exemplified in the recent merger of certain route services in the Nelson district.

The following extract from the annual report of the No. 3 Transport Licensing Authority (Mr. T. H. Langford) sets out the position in this instance :—

“ After reviewing the whole situation I met the carriers in the area through their association and placed the position, as I saw it, before them. I was aware that many operators were on the point of bankruptcy, and I assured them that unless immediate rationalization took place the outcome for them would be serious indeed. I suggested that some method to eliminate duplication of traffic should be introduced, and believed that the best method to adopt would be wholesale amalgamation, with the operators in control.

“ . . . the route operators in Blenheim, Motueka, and the northern portion of the west coast were determined to proceed, and on 17th March, 1938, a company was registered, known as Transport (Nelson), Ltd., with a capital of £50,000, which covered the operation of fourteen operators with fifty-eight vehicle authorities. The headquarters of the company will be Nelson, and depots will be erected at Havelock, Nelson, Tasman, and Inangahua. An immediate reduction in freight rates will occur, and on fruit alone will represent a saving to the grower of at least £700 per annum on the Motueka-Inangahua section. The ultimate saving in general goods freight between Nelson-Blenheim will be enormous, and the reduction of vehicles, which is automatic with rationalization, will not only reduce road costs but will lessen the danger on the roads in that area. The establishment of a depot at Inangahua and the further amalgamation with Gibbs Transport, Ltd., will considerably reduce the number of heavy vehicles operating in the dangerous western portion of the Buller Gorge.

“ In the South Westland area a further company was formed some months ago, known as Fahey's Transport, Ltd. Twenty-one vehicles were originally employed by the group, and to-day fourteen are doing the work more effectively and at a lower cost to the consumer.”

A third type of amalgamation takes the form of a co-operative endeavour, each operator maintaining his separate individuality, but working through a central organization (usually a limited-liability company in which the operators all hold shares) which aims at planning the work to reduce empty mileage. The central organization also handles the accounts of the operator and distributes the net revenue on the work done.

DRIVING-HOURS.

The department's officers have been active in securing observance of the provisions of the regulations relating to driving-hours. Every endeavour has been made to acquaint operators with their legal requirements, and frequent checks are subsequently made to ensure that the law is complied with. Experience, however, has shown that driving-hours in the motor-haulage business have been traditionally long, and that it will take some time yet before the conditions in this connection are satisfactory. Several prosecutions have been instituted, but the general policy up to the present has been one of education rather than of prosecution.

FIXATION OF CHARGES.

Although the transport legislation gives the Licensing Authorities the power to fix the charges made by road operators who came under their control, the general policy up till recently has been to allow the charges to be determined by fair competition. In a few instances the operators and their customers have amicably agreed among themselves on schedules of charges, but in no cases have the schedules been made conditions of the licenses.

The present policy is to leave the matter as far as possible in the hands of those most concerned—viz., the road transport operators and the trading and farming communities. If neither of these parties ask to have the rates fixed under the provisions of the transport legislation no action is being taken.

In the event, however, of the operators showing to the Licensing Authorities that uneconomic rates are threatening the efficiency of the industry and the standard of life of those engaged in it, arrangements will be made to bring the carriers and the users of their services together with a view to arriving at mutually satisfactory schedules of rates.

Any agreed schedules will then be considered by the appropriate Licensing Authorities at public hearings specially held for the purpose. These hearings will be fully advertised, and all interested parties will have every opportunity of submitting their representations. If the Licensing Authorities are then satisfied that it is in the public interest to do so, they will make it a condition of each license in the areas affected that the schedules of charges must be observed.

In cases where the interested parties are unable to agree the Licensing Authorities will hold public sittings to hear representations from all interested parties and will then proceed to draw up schedules of charges based on these representations and any other information that may be available to them.

The public using the road-transport services may make representations to the Licensing Authorities in cases where it may be felt that competition is not fully effective and the charges are too high. The procedure that has been referred to will then be followed out.

The Licensing Authorities are now engaged in considering representations they have received regarding the fixation of charges.