

In the first place this Government is firmly opposed to nationalization or socialization of transport. There will be no further purchase of road transport or other services by the State.

It is proposed to continue the system of regulating road transport as set out in the existing legislation. The present three-year tenure of transport licences will be extended to five years, and the licensing system will be decentralized by replacing the existing full-time Licensing Authorities with more numerous part-time ones. Certain improvements will also be made in the machinery for fixing rates in the road transport industry.

The growth in the means and equipment of transport in the present generation has raised the question as to where each form of transport fits into the overall transport system and what part it should play.

Coastal shipping still enjoys its traditional advantage of handling large masses of traffic for the longer hauls at low cost, and occupies an indispensable place in our transport system.

The railways have similar advantages on the land, and it would be a bad day for the country if unregulated competition were allowed to so weaken the railway system that it would be unable efficiently to meet the peak haulage of our primary products from the country to the overseas ports and to get the fertilizer and farm equipment out to the farms.

Road transport does not enjoy the same advantages as coastal shipping and the railways in handling large volumes of traffic for long distances, but it has flexibility, speed, and comfort and an ability to do almost anything that is asked of it. It stands high in the public preference, and its rapid development has overshadowed anything else in the transport field in this generation.

Air transport has the outstanding advantage of speed, a decisive factor in certain classes of traffic.

These general comments are sufficient to indicate that there will always be changes going on over the transport field. People buy motor-cars and make themselves independent of the public passenger services, business firms and farmers put on their own trucks and carry their own goods, the railways may attract traffic from the ships, or *vice versa*, and travellers are constantly changing over to air transport. This continual state of flux reflects the play of initiative and enterprise in the different forms of transport and the exercise of a right of choice by their patrons.

This brings me to another general proposition. It is the Government's aim to help to put each form of transport in a strong and healthy condition so that each may develop to the full its own efficiencies. It is hoped to put both the railways and commercial transport on a more businesslike basis.

The restoration of the proper incentive throughout our transport services will create greater initiative and enterprise, both peculiarly important in an efficient transport system.

Now to deal with the general question of co-ordination of all the forms of transport. It is proposed to change the existing administrative machinery. Instead of the centralized and unwieldy Transport Co-ordination Council, the intention is to have decentralized flexible machinery to deal, in the light of the local conditions, with the transport problems that arise throughout the country. This will mean the appointment, under powers that already exist in the legislation, of Committees comprising men who understand the local conditions to advise on the specific problems as they arise. It has always been difficult for centralized machinery to deal with problems of transport which generally affect some particular locality and some particular forms of transport. It is believed that the simple, direct approach by local men experienced in transport and with a full knowledge of local conditions will be more successful than the indirect and distant administration of centralized machinery. The Government considers that the time has arrived when all portfolios relating to transport should be administered by the one Minister. This has