

(b) *Goods Transport.*

Kind of Transport.	Freight Ton-miles (<i>i.e.</i> , one ton of freight one mile). (000 omitted.)	Percentage of Total.
Motor-trucks	183,624	20
Railways	405,256	45
Coastal shipping	321,451	35
Totals	910,331	100

These figures direct attention to the fact that the motor-vehicle now dominates the passenger traffic, while the railways perform the bulk of the goods-transportation. The motor-vehicle accounts for no less than 71 per cent. of the total passenger miles, against 17 per cent. for the railways and 11 per cent. for tramways; while the freight ton-miles are split up in the following proportions: Railways 45 per cent., coastal shipping 35 per cent., and motor-trucks 20 per cent.

Expressed per head of population, the passenger miles show approximately 1·650 miles per person per annum, while the freight ton-miles show approximately 600 ton-miles per person per annum. Both these figures afford striking evidence of the part played by transport in the social and economic life of the Dominion.

8. LAND TRANSPORT COSTS AND NATIONAL PRODUCTION.

In the Department's report for the year ended 31st March, 1930 (pages 21–25), the results of investigations which showed the tremendous growth in annual national transport costs as compared with the national volume of production in 1928–29, as compared with 1913–14, were published. The figures have been brought up to the latest date available—*viz.*, the 31st March, 1931—and are dealt with hereunder.

The object of these figures is to show in as brief a form as possible the salient features of the trend in the relationship between national land transport costs and the value of national production. The figures regarding the annual operating costs of motor-vehicles and horse-drawn vehicles have been estimated in the Transport Department. Those relating to electric trams and railways represent the recorded results of each undertaking, while the estimated value of production has been obtained from official sources.

A word of warning is necessary in interpreting the figures, which, of course, do not show the position in regard to any particular section of industry. For instance, certain sections of industry and trade are receiving the benefits of lower freight charges as a result of competition, and judge the whole transport problem from their own particular viewpoint. Competition has brought down their transport bill as they know it, and they accordingly pin their faith to competition as their guarantor that charges are as low as they ought to be. This view is quite valid, but only as far as it covers the viewpoint of the particular individual, and also only so far as it covers his “direct” transport costs. There is another aspect of the matter, and that is the view from the Dominion as a whole, which can only be taken by considering all transport costs—*i.e.*, both “direct” and “indirect.” This view directs attention to the fact that with keener competition than has ever existed before between the various transport facilities the Dominion is to-day faced with national land transport costs on a level that shades all previous levels and must be getting perilously near the stage of actually stifling industry. The plain fact is that, broadly speaking, transport is one of those industries where unregulated competition inevitably leads to organizations which are forced to have high charges. An outstanding example of this is found in the position of the railways in the Dominion. It is very desirable to-day to reduce freight charges to the lowest possible point, but this desire is impossible of fulfilment while the most valuable freights are lost to road competition. Indeed, the long-run effect of the present position must inevitably be an increase in freight charges to the primary industries or an increase in the amount of taxation required to recoup railway deficits.

The following summary shows the estimated costs of national land transport for the year ended 31st March, 1931:—

Kind of Transport.	Annual Cost.	
	£	£
(1) Railway .. .. .	..	9,138,000
(2) Tramways .. .. .	..	1,552,000
(3) Road transport—		
(i) Motor-vehicles—		
(a) Motor-cars	15,997,000	
(b) Omnibuses	1,626,000	
(c) Motor-cycles	913,000	
(d) Trucks	9,880,000	
		28,416,000
(ii) Other road-vehicles .. .. .	..	1,054,000
(iii) Road costs not included elsewhere .. .. .	..	4,126,000
Total .. .. .	..	£44,286,000