7 H.—36.

has improved as the result of the Sewage Area, this does not seem to me to give the Sewage Area any greater claim on the Rural Areas for assistance, for, if the condition of things in the Sewage Area was such as to breed fever and disease and thus infect the Rural Areas, it was the duty of the people in the Sewage Area to remove the cause, and this seems to have been done very effectively.

As regards the claim that some of the drains charged to the Sewage Area have reclaimed swamp lands in the Rural Areas, rebutting evidence was brought to show that there are several other drains and water-channels which may, either wholly or partly, have conduced to the reclamation of these swampy areas.

The City Council could not prove that Mr. Napier Bell had not taken into account benefit as well as the actual expenditure when his allocation was made, and it is quite clear from the facts already mentioned that the city had no sufficient evidence to support its counterclaim. All its defence amounted to was this: that if the plaintiffs are morally entitled to a refund of the money paid by them for the benefit of the Sewage Area, then the Sewage Area is morally entitled to some recognition from the Rural Areas on account of the improved sanitary conditions which its works have caused, and that in any case justice cannot now be done. It is contended that this is so, because the persons who would now have to pay the additional rates that would be required to adjust the matter, as well as those who would receive the benefit of the same, are not the same, or only partly the same persons.

This last argument will not, however, stand criticism because it is opposed to the principles of municipal or local government, and it is moreover frequently impossible of application even in ordinary affairs of life. It means that because one cannot do absolute and individual justice that therefore justice should not be done at all, but this is unreasonable. For, suppose an undertaking, such as a tramway, which benefits property, and which has been constructed out of loanmoney, did not pay sufficiently to enable interest and sinking fund to be paid out of the receipts from the same, where would the extra money that would be required come from? Would it not come from the ratepayers, who would have to pay it as rates? Of course it would, whether they were the people who voted for the undertaking or not, or whether they had received benefit by the increased value which it had given to their properties before they had bought them or not.

The fact is that property in a large area like the Christchurch Drainage District is changing ownership continually, and not a day passes but some change is made; but, although this is so, the land abides continually and the Corporation of each of the local authorities remains the same, and every person who allies himself to such a Corporation by holding property within its limits thereby takes upon himself all the benefits and all the disabilities of the entity with whom he has chosen to identify himself.

The principles which the City Council endeavours to invoke to evade the claim on the ratepayers in its Sewage Area should be such as should guide the Council if it were dealing with one of its own difficulties. Thus, if by miscal-culation or from any other cause its expenditure were to exceed its revenue, and at the end of a series of years it were faced with a deficit of £30,000 or £40,000, would it have any compunction in raising its rates to such a sum as would cover the liability simply because some of the people who had benefited by the expenditure had left the city and would not have to pay, whereas those who had taken their place and had not benefited would have to pay? I do not think the City Council would consider such people at all; it would do the reasonable and common-sense thing and levy the rate, and justify its action on the ground that the holder of property takes it subject to all its disabilities as well as its advantages.

Under these circumstances, therefore, and as the evidence showed that a very great many people who paid the rates in the Rural Areas, as well as a great many people who received benefit for such money in the Sewage Area, are still ratepayers in such areas respectively, I fail to see that the contention of the City Council is of sufficient weight to preclude justice being done to the Rural Areas. The money cannot, of course, be refunded to those who paid it,