H.—33.

In the year 1908 the late G. Midgley Taylor, M.Inst.C.E., of London, in his report on main drainage of Auckland, said:—

I have been greatly struck by the large number of separate authorities and districts immediately surrounding the city, and I may say that in all my experience I have never met an instance where the necessity of an extension of the city boundaries is so apparent and urgent. . . . I find that there are not less than fourteen separate authorities lying within the area in question. These districts should, in my opinion, form part of the City of Auckland. They are nearly entirely peopled with the overflow population of the city, they all enjoy the privileges the city has to offer, and the city also supplied by far the larger number with water.

In the year 1927 Mr. Justice Blair and his colleagues on the Auckland Water Commission said in their report (after referring to the same lack of unity),—

A number of witnesses called by Mr. Rogerson voiced the complaint that the outside bodies who purchased water from the city had no voice in the management of the waterworks. This was suggested as a grievance only to be cured by the creation of a Water Board, upon which they were to have representation. Some of these outside bodies, such as the boroughs of Newmarket, Mount Eden, and Mount Albert, pressed the point that unity in the matter of water-supply was of supreme importance. The unity that they visualized was a Water Board. They shut their eyes to another very obvious form of unity—viz., amalgamating with Auckland City, and thus becoming citizens and partners in all things belonging to the city, and each mutually sharing the fair proportion of each other's burdens. A glance at the map of Eden County will show Newmarket as an "island" borough completely surrounded by Auckland City. The Mayor of Newmarket gave evidence before your Commissioners advocating unity on questions of water-supply, but he overlooked the fact that the existence of his borough surrounded by Auckland City is the negation of unity.

If the terms "transport facilities" and "Transport Board" are substituted for "water" and "Water Board," that extract describes accurately the position as it reveals itself to us. The eyes are still shut, and the arguments for an *ad hoc* unity are still based on difficulties that are born of an alliance of disunity and suspicion.

These views find no acceptance on the part of exponents of the present scheme of segregated municipal control. Instead, they proclaim the advantages of their municipal divisions with fervour. It is almost common ground that it was the presence of these numerous bodies that gave rise to the necessity of the formation of the Power Board to control and operate a public utility common to the whole area. The present transport difficulties such as those we have described above are approached and stated not as one transport problem based on the requirements of a homogeneous transport area, but as a dispute between the Auckland City Council and the "outside bodies." The matter has come before us largely in the form of a dispute between those parties, and, as a separate part of this whole answer will show, it has taken the form of the series of indictments to be answered by the City Council. The atmosphere in which these disputes have developed and proceeded has, at some points and places and as to some parties, been one of suspicion and hostility. This spirit, in our considered opinion, is the most important and at the same time the most potent factor in the present position. It entered largely into the conduct of the hearing before us, and at times led witnesses and counsel to place what we believed to be an unnecessary importance and emphasis on unworthy and irrelevant issues. For the same reason the case for the local bodies, as presented to us, showed strongly a tendency to treat developments and matters that are nation-wide or world-wide as if they were peculiar to Auckland. For example, the Motor-omnibus Traffic Act, 1926, with its principle of the penal fare of 2d., the recognition of the expediency of giving a measure of traffic monopoly, and the provision whereby local bodies are made the licensing authorities, were all treated as sinister devices of the Auckland City Council, sanctioned by a complaisant Legislature, to enable that Council to crush its motor-bus rivals. It is, on the contrary, clear that in fact these provisions were enacted by the Legislature after a study of methods followed throughout the Empire and elsewhere to meet conditions similar to those that Auckland had experienced. If Auckland's experience in these matters has been more troublesome to adjust, and the difficulties harder to remove, we are satisfied that these peculiarities are attributable, as to most of them at least, to the division of municipal control within the metropolis, and to the sad spirit of disunity of which that division is the outward sign.