

For the same reason the suburban bodies' representatives, in attacking, and at various points successfully attacking, the City Council's figures, records, and estimates, took no account at all of the special circumstances which, it seems to us, should in common fairness be taken into account. We take, for instance, the absence from a system as old as the Auckland tramway system of a repairs and renewals reserve fund. Criticism on this point would be weighty and damaging if the City had inaugurated the system and had had a clean start; but the facts of the case, being those set out in our brief history under part (c) of this answer, put an entirely different complexion on the matter. All those problems had to be faced simultaneously, while the system had to be kept running, and gradually worked up to the manager's ideals of staff efficiency and an adequate track equipment. These things took years to accomplish, and it was in these circumstances that certain financial and accountancy aspects of the problem did not receive special attention. Furthermore, it is apparent to any one who approaches the problem with a knowledge of accountancy that the only final effect of the system which was adopted is to render the various accounts for the years in question less useful for comparative purposes than they would have been had a repairs and renewals fund been created. In our opinion, weighing all the evidence, the criticism on this point was merely captious.

Some concrete examples of the difficulties in which the lack of unity and harmony between the component municipal parts of the transport area further illustrate our present point. On one occasion the Mount Albert Borough undertook the work of making concrete roads within its boundaries, but in doing so it worked to levels that differed from the tramway levels, and this led to expense of adjustment when the tramway came to be laid along the route.

Again, at a certain point of time, representatives of the Onehunga Borough and the City Tramway Department agreed that through trams on a certain minimum fare should be run from the city to Onehunga to serve Onehunga residents. This was an application of a recognized principle, and the tramway officials conceded Onehunga's request. This agreement, however, could not be carried out because the line to Onehunga runs through the "island" borough of Newmarket, on terms and conditions laid down by deed of delegation between Newmarket and the city. Newmarket demanded the right of its residents to travel on all trams at Newmarket fares, which naturally were lower than the minimum fare to Onehunga, and by standing firmly on its rights under the deed of delegation Newmarket Borough prevented the city from being able to do what in its discretion as a tramway administrator it had thought both reasonable and just towards the Onehunga tram-users. Thirdly, when the City Council, seriously perturbed by the advent of the bus competition, approached Parliament for legislation to save the tramway system, some of the local bodies actively opposed the city, and used their influence in support of the private-bus owners. It is proved in this connection that the Mount Eden Borough sent its paid officers to Wellington to give evidence and work against the passing of the Motor-omnibus Traffic Act, 1926, an enactment which was approved by every responsible witness that appeared before us.

In this connection it is only fair to say that the instances and happenings on which the feelings of hostility and mistrust are based do not lie wholly on one side. Counsel for the Mount Eden Borough claimed, for instance, that in connection with the negotiations (finally abortive) for the extension of tramways in that borough, the city had committed a breach of faith. The charge is that on a mutual understanding the city was to lay tram-lines along certain streets in the borough, and the borough was to pave and concrete the remaining portions of those streets. Each party appealed to its ratepayers to sanction the loan, and in each case the loan was sanctioned. Mount Eden raised the money and did the work. The City Council raised the money and did not do the work, but applied that money to other purposes. Special circumstances, which we need not relate here, were urged by the City Council to justify the diversion of the money. We may, for our present purposes and purely for the sake of argument, concede that. Nevertheless we consider that the Mount Eden representatives proved their case. The evidence satisfies us that the first the Mayor of Mount Eden knew of the change of mind and policy was from a newspaper report. This we consider inexcusable. Further,