

APPENDIX E.

CHARGES OF MALADMINISTRATION AND INEFFICIENCY AGAINST CITY COUNCIL.

CHARGES RELATING TO ADMINISTRATION.

1. *It is alleged that the City Council in the period 1st April, 1921, to 31st March, 1927, spent large and unnecessary sums on the renewal and reconstruction of tracks which, in the year 1919, Mr. William Ferguson had reported on as being generally in good condition.*

ANSWER.—At one point this charge is connected with charge No. 1 under the heading "Financial." The argument is that if Mr. Ferguson's report is not correct on the point, then the charge that the City Council paid too high a price for the system is sustained, whilst, on the other hand, if Mr. Ferguson's report is taken to be correct this heavy expenditure on track-renewals and reconstruction cannot be justified. It is proved that in the period under review the Council spent a total of £197,255 under the headings described above. It is proved to our satisfaction—firstly, that this expenditure includes the cost of relaying substantial parts of the track in a more permanent and satisfactory form. The pre-existing unsatisfactory method of using longitudinal concrete sleepers was departed from, and the new work was done with timber cross-sleepers. Secondly, this work was co-ordinated with the Council's general policy of adopting modern and more costly methods of paving roads to meet the requirements of modern vehicular transport. Thirdly, there is no inconsistency between Mr. Ferguson's report in 1919 that the system, including the tracks, was in good condition as a going concern, for a system in the seventeenth year of its existence, on the one hand, and the subsequent expenditure, commencing in 1923, of the sum of £197,255 on the other hand. It is noteworthy that the Wellington tramway authorities during the same years spent £196,009 under the above headings on their tramway tracks, and this must be considered in conjunction with the admitted fact that the Wellington tramway system is soundly organized and administered, while at the same time it is several years newer, and only uses 3 ft. 6 in. gauge of tracks, as against 4 ft. 8½ in. in Auckland.

We find that the evidence adduced in relation to this complaint establishes no charge of maladministration against the City Council. On the contrary, we are of opinion that the work was well done in pursuance of a sound policy.

2. *That an extravagant and unjustifiable policy was pursued in abandoning the Ponsonby Depot, and erecting the Gaunt Street Depot, partly in substitution for Ponsonby and partly for other purposes; furthermore, that the estimates of saving and reform on which the work was undertaken are shown to be erroneous; and, thirdly, that the consequent expenditure cannot be justified by results.*

ANSWER.—The evidence and our own observations justify us in saying that the policy was a sound one. It was recommended by the Tramways Manager, Mr. Ford; the recommendation was approved by the Tramways Committee, and work sanctioned by the Council. Mr. M. Cable Manager of the Wellington system, expressed the opinion that the change-over was a wise policy, and necessary as an adjunct to greater running efficiency, increase of car-mileage, and ultimate economy of operation. (See Mr. Cable's evidence on page 192B of the Book of Evidence.)

Cross-examination of the Manager of the tramways did reveal error in the estimates on which the saving of revenue to be effected by this work were put to the Council originally. We have been carefully into these and are of opinion that they do not materially affect the question.

As to the third paragraph of the charge, we are of opinion that this work stands completely justified by its results. The existence of the Gaunt Street Depot in its present locality, and according to its layout, would convince any tramway expert of the wisdom of the policy, and we are of opinion that no person with any knowledge of tramway matters would have pursued the question that occupied a great deal of our time under this heading. The existence of the building as it now stands is an important factor in the better handling of the tramway traffic, particularly in relation to the regular and periodical peak-loading periods; whilst the facilities it affords the clerical staff and the traffic employees are most important factors in having procured the present high standard of efficiency and contentment on the part of these workers.

3. *That prior to the advent of bus competition the service was inadequate and the rolling-stock insufficient; the service being a subject of general public condemnation, and a cause of irritation and hostility.*

ANSWER.—The truth of this allegation was proved, and under most of its headings, if the period is fixed at 1922 and early in 1923, it was not seriously contested by the City Council's representatives. We beg leave, however, to refer Your Excellency to our remarks under the heading of the history of the system on pages 9 to 18 of our report, and to add the fact that the present Manager took charge in April, 1922, after the illness and death of the previous manager. The facts constitute, in our opinion, not an indictment of the present tramway administration, but a striking statement of the chaotic state of affairs under which they assumed control, and out of which they have evolved the present high state of efficiency.

Inevitably, at the hearing before us, when a witness expressed indignation and resentment at tramway treatment, he harked back to the years 1922 and 1923 when asked for a specific instance. The whole of the attack under this heading illustrates the spirit against which the tramway administrators have had to bring about reforms and improvements. They have done good work for the benefit of the public as a whole, but it has been done in spite of rather than with the help of a section of the community.

4. *It needed the bus competition to awaken the city to the public needs, and when the Council was in this way forced to make tardy reforms it sought to fortify its position by unjust legislation to enable it to crush bus competition.*

ANSWER.—It is true that the advent of the bus competition and the ability of the City Council to procure material, equipment, and tram-cars approximately coincided in time. The same economic