

and trade revival that released tramway equipment and materials released the motor-buses. The first part of this present complaint is therefore an excellent example of the fallacy *Post hoc, ergo propter hoc*. The references here made to the Motor-omnibus Traffic Act are possible only from those who view the world-wide battle between trams and omnibuses from the point of view of its effect on their own city, their own suburb, their own street, and in some instances their own rural road and village service. Some of the criticism levelled in this city against the Motor-omnibus Traffic Act—a General Act of the Legislative Assembly—is as ill-informed and unreasonable as would be consideration of a main-trunk-railway scheme from the point of view of its destructive effect on an individual's kitchen-garden. In so far as the foregoing criticism is uninformed it must be regarded by us as negligible; in so far as it is based on complete information it seems to us to be merely carping.

5. *When the city obtained power under the Motor-omnibus Traffic Act, it expropriated the private-bus owners, and discontinued certain routes, to the detriment of suburbs and localities that had come into being or had developed under the stimuli of transport facilities.*

ANSWER.—This charge can, as to each fact, alleged or implied, in it, be said to be proved by the evidence, but we cannot associate ourselves with the method of stating it or the inferences drawn from the facts. It is a partisan point of view, and excludes all facts from all other points of view. In the form in which it was presented to us it begged the real question which we must consider: that question is, Did the City Council discontinue any services which should have been continued, judged by the standard of financial success proper to a local body operating a public facility? We are of opinion that it is not proved that the City Council did so. It discontinued many services that it took over, but inquiry satisfies us that the private owners who had run such services up to the time at which the city took them over were, as a rule, either bankrupt or nearly so, and that the City Council firstly tried the services out, and secondly conferred with the local residents, before they discontinued services. We are quite satisfied that many expectations in the semi-rural and rural districts that had been served by private buses were and are quite hopeless. We are satisfied that there have been many cases of hardship of the kind indicated in this charge, but we are also satisfied that some of the disappointments are due, not to unreasonable cutting-off of services by the City Council, but to unreasonable demands and expectations by residents in the outlying districts. A typical example is that of a witness who appeared before us. Under cross-examination he admitted that he went out to his suburb five years ago, when the only means of communication was the suburban railway. Under those conditions he built his home, and for a year or two travelled to and from the city by train. Later, a private motor-bus service ran from his suburb, and in doing so buses ran past his door. The City Council, on taking it over, changed the route, and now he has to walk about 400 yards to catch his bus, which carries him nine miles into the city. Asked what his grievance was, he said it was because he had to walk a quarter of a mile to catch the bus. (See page 164 of the Book of Evidence, and pages 234 and 255 in the Notes of Evidence.)

6. *That even if the Motor-omnibus Traffic Act, 1926, can be justified by the necessity for protecting the trams, the City Council was by at least two years too late in seeking to get this legislation, with the result that in the meantime private enterprise had established itself, and the routes thus built up had to be bought out at heavy expense, and in the process those districts which had come to rely on private enterprise have received a serious setback.*

ANSWER.—This objection was best put by Mr. Thomas Bloodworth. For a clear and temperate expression of this charge we refer to his evidence on page 117 of the Book of Evidence. We have referred already to this matter on page 32 of our report. It is, we think, purely an *ex post facto* objection. Under cross-examination Mr. Bloodworth admitted that he, having been apprised of Mr. Bush's and Mr. Ford's warnings, did not move in the matter. It is, in our opinion, doubtful if anybody could, in 1924–25, have successfully moved Parliament on the strength of expert prognostications of what was to come.

7. *That an injustice has been done through the City Council being at one and the same time the owner and operator of bus services and the licensing authority which is required by sections 5, 6, and 7 of the Motor-omnibus Traffic Act to exercise judicial discretion in the issue of licenses.*

ANSWER.—We have already dealt with this matter on pages 34 and 35 of our report. All we have to add is that the belief is firmly held in Auckland that this Act was and is the special instrument of the Auckland City Council, and was enacted solely on considerations relating to the Auckland City Council. This belief has made its contribution to the atmosphere of mistrust which prevails in Auckland.

8. *That the City Council broke faith with the Mount Eden Borough Council by (a) refusing to go on with a bargain involving mutual duties and expenditure, after the borough had carried out its part; and (b) by introducing, without prior notice or discussion, a new and onerous covenant into the relative deed of delegation; and, further, that the City Council aggravated this breach of faith by subsequently wrongly ascribing its refusal to carry out its part of the bargain to the borough's hesitation to sign the deed of delegation.*

ANSWER.—This has already been dealt with on page 24 of our report. The City Council, in our opinion, gives no effective answer to this charge, and we consider it substantially proved.

9. *That the City Council broke faith with the local bodies to which it had made promises, and also with its own ratepayers, by diverting moneys raised for specific purposes to other purposes, this diversion being at the same time the culmination and the result of the before-described breach of faith with the Mount Eden Borough Council.*

ANSWER.—The City Council did raise, *inter alia*, a sum of £280,000 for certain proposed capital works, as part of a tramway development scheme (see page 35 of the Book of Evidence). The component parts of the scheme were made known to the ratepayers, and mutual interdependent schemes of expenditure arranged with the Mount Eden Borough Council. The ratepayers sanctioned the loan,