

local authority to any person or company. This is a method of revising, amending, or revoking contracts which is revolutionary in its character, and if carried much further might easily lead to greater inconsistency than it is designed to avert. Under subclause (3) the power of the Council to make by-laws to (a) regulate the number of passengers to be carried on any car, (b) regulate the speed of tram-cars, is entirely taken away. Words almost fail one in expressing surprise at the proposals contained in this clause 5 to take away from the local body practically the whole control of the local tramway traffic, leaving it only the approval of the time-tables, which, after all, will be subject to the speed-limit fixed by the regulation, so that the local body is indeed left with the shadow, and not the substance. The Auckland City Council strongly protests against being placed in such a position. In clause 12 the power of the Council to license tram-cars is entirely taken away, and transferred to the Minister. Apart from any other consideration, this will mean a loss in revenue of £200 per annum, and the agreement between the company and the Council in the deed of delegation referring to this matter is set aside; so that, so far as the Council is concerned, the right of the company to use the public streets is eased to the extent of £200 per annum. It is true the company will not benefit, as the license fees will probably be paid to the Government, and in such a case it is surely introducing a new principle for the Government to derive revenue from the use of streets which are vested in the local body. With regard to the second ground of objection—viz., that insecurity is given to municipal contracts when the provisions of deeds can so simply be overridden and set aside by regulations made by the Governor—this has been referred to in the foregoing statement; but it is a matter of great moment to a local body which has had an honest pride in the security of its contracts and deeds to find proposals brought forward to make the provisions of such contracts and deeds liable to revocation so easily as is proposed; because if carried into law the effect must be to create a suspicion in the minds of persons concerned, to the lowering of the credit of such local body, and possible embarrassment when seeking to enter into important engagements. Any one who has had to do with the placing of local-body loans will know the timidity of the lenders, and the keen scrutiny they give to the security upon which it is proposed to borrow; and anything which tends to disturb the confidence which has been established must react upon the credit of the local body. In making this statement for the consideration of the Committee I desire, on behalf of the Auckland City Council, to enter a most respectful but emphatic protest against the underlying principle of the Bill, which deprives the local bodies of their control of what is essentially local traffic, and hence a matter of local government, and also sets aside the provisions of deeds, merely by regulations made by the Governor.

9. *Mr A. Myers* ] You are Chairman of the Auckland Electric Tramways Committee?—I was for twelve months.

10. You have a thorough knowledge of the conditions of the traffic?—I have the knowledge that the experience of twelve months as Chairman of the Tramways Committee gave me.

11. And you are satisfied with the way in which the tramways are conducted so far as they affect the public?—Yes.

12. There is nothing within your knowledge which justifies the inclusion of the clauses you have referred to in the Bill?—No, nothing within my knowledge.

13. *Mr M. Myers* ] Although the Auckland City Council does not run the tramways, you are aware, of course, that under the present law the Auckland City Council had to apply for the authorizing order which it delegated to the company?—Yes.

14. Can you say whether it is the fact that there is in existence a deed of delegation which strictly guards the rights and privileges of the Auckland City Council and the people of Auckland?—Yes, that is embodied in the deed of delegation.

15. For instance, do you know that in the deed of delegation the company is bound, first of all, to comply with all the provisions of the Order in Council?—Yes.

16. So that if the Order in Council is altered except upon the application of the Auckland City Council—it is under the existing statute—your deed is affected without your consent?—Undoubtedly.

17. Then is it not a fact that every time-table made by the company has to be approved by the City Council?—That is so.

18. Is it not a fact that the company is also bound to comply with all by-laws that you may make, or have made in the past, for the efficient working of the tramways?—Yes.

19. Is it not a fact that the company is also bound by covenants to find, provide, and use and maintain to the satisfaction of the Auckland City Council, a sufficient number and quantity of passenger-cars, wagons, plant, and materials, to serve the purpose of the undertaking?—Yes. That has been proved conclusively, because the Council had the company into Court, and got £320 damages for not maintaining the cars.

20. And I think the Council succeeded in obtaining the number of cars it considered necessary for the use of the people?—Yes.

21. So this Committee may take it that the Auckland City Council has from its opening kept the company up to the mark?—Yes.

22. I think I am right in stating that under the deed of delegation all cars have to be licensed by the Auckland City Council before they can be put upon the roads?—Yes.

23. What revenue does your Council derive—I am not speaking of any percentage of profits—but what revenue does it derive from (a) the motormen, and (b) the cars?—It will be, with the new cars in Auckland, £285 per annum—£200 from the cars and £85 from motormen and conductors.

24. Has your Council officers who supervise the working of the cars?—Yes, they have a Traffic Inspector who supervises and looks after the cars, orders any noisy cars to be taken off, looks after the repairs required, and generally watches to prevent overcrowding, and so on.