

THE EARL OF SELBORNE: The action was only brought to recover an alleged overpayment on account of the discount not being allowed for the government buildings; so that, in truth, the only question is whether it was *intra vires* to charge the government 100 per cent. in circumstances under which other people were only charged fifty per cent.

Mr. Robinson: I submit it cannot be *ultra vires* to do that, under the circumstances.

THE EARL OF SELBORNE: Where is the authority to deal unequally? It says: "To make by-laws for the general management of the waterworks, and for the collection of the water rents and rates, and for fixing the time and times of payment, and when the same shall be payable, and for allowing a discount for prepayment." All the other terms of that clause imply that all people are to be treated equally, and without partiality or preference; do they not?

Mr. Robinson: I have read to your lordships the exact words of the statute, which say, substantially, the Board of Commissioners for the time being shall regulate the distribution and use of water in all places, and for all purposes where the same may be required, and from time to time shall fix the price for the use thereof.

THE EARL OF SELBORNE: Does it mean they may charge A. B. different terms from C. D.?

Mr. Robinson: No.

THE EARL OF SELBORNE: Can they give a preference under those words to a particular individual, or to a class of persons?

Mr. Robinson: I submit that it is reasonable to do so, and, if it does not result in any real irregularity, they have a right to do so.

THE EARL OF SELBORNE: How can it be reasonable if we are to have regard to the question of supply of water, apart from everything else? They might say they were entitled to charge a particular individual for some reason which they thought sufficient at a greater rate than any others. How can it make a difference whether it is a public body, or the Crown, or individuals?

Mr. Robinson: None; except that, not being a public body, they are exempt from taxation, and thus have contributed nothing.

THE EARL OF SELBORNE: I want to see whether that is a good ground. I want to see what the other taxation has to do with this legislation. Is there any reference in this water legislation to other city taxes?

Mr. Robinson: No; what it has to do with it is that the other taxation, to which these bodies have contributed nothing, went, to a large extent, in fact, to provide these waterworks.

THE EARL OF SELBORNE: Surely that is a thing which comes out of the general funds which come into their hands for this purpose, to supply water. I understand you to say that the Crown is exempt from taxation upon the principle that the taxing acts do not affect the Crown?

Mr. Robinson: The Crown is a very small unit in the number of people exempt from taxation. We exempt all educational institutions, and a vast number of others.