

1948  
NEW ZEALAND

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# LOCAL GOVERNMENT LOANS BOARD

REVIEW OF OPERATIONS FOR THE YEAR ENDED 31st MARCH, 1948

*Laid on the Table of the House of Representatives by Leave*

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To the Right Hon. the MINISTER OF FINANCE.

THE Local Government Loans Board presents hereunder a review of its operations for the year ended 31st March, 1948.

The Board was constituted under the Local Government Loans Board Act, 1926, and commenced to function on 1st April, 1927. It has thus been in operation for a period of twenty-one years, and the statistical tables which are incorporated in this report reflect the effect on the local-body debt of the Board's administration during that period. The Board has endeavoured to assist local bodies where the proposals covered essential works. On a number of occasions the Secretary has with good results visited a local authority and discussed with its officers the particular problem under review. This helpful and constructive aspect of the Board's activities is now much more widely recognized among local authorities. At the same time, by exercising a restraining influence on doubtful undertakings or by withholding its sanction where it appeared the financial burden would be beyond the immediate capacity of the ratepayers, it has endeavoured to keep local-body finance on a sound basis.

The net result is a reduction in the total debt from a peak of £72,600,000 at 31st March, 1931, to £57,700,000 at the 31st March, 1947, being the latest statistical figure available. Repayment of the whole of the debt has also been provided for by sinking funds or annual repayments within the estimated life of the assets to be created out of the loan expenditure.

The work of the Board for the year ended 31st March, 1948, again reflects the increased activity that is taking place in the capital programmes of local authorities. The loan proposals considered by the Board again exceeded £10,000,000 for the year. Materials generally are now in better supply, and, despite the labour shortage, many local authorities are putting in hand capital works postponed from the war years. In as far as buildings are concerned, it would seem that although the raising of the requisite loan-moneys has been approved, some time must elapse in many cases before the work can proceed.

Applications considered by the Board amounted to £10,347,679, of which £8,324,579 represented new applications and £2,023,100 amounts not finally disposed of previously. The amount sanctioned for new works was £6,022,034 and for renewal loans £1,459,880. The balance of £2,865,765 was referred back or decision was deferred pending further investigation.