

and County Councils they would not have a satisfactory system. The proposed franchise would be a dangerous element to introduce into the county elections, because the population on the suburbs of a town would probably decide every election, and those who had to pay the rates would have no voice in the matter at all. When it came to voting, he should vote against the franchise proposed, and vote for one franchise.

The PRESIDENT said that members now had the statistics which had been supplied before them, and he thought his friend would have great difficulty in finding any more than three small boroughs in Otago with a population of less than five hundred. He wished also to refer to a matter regarding the Waimakariri Water-supply Board, because the figures he had given that morning had been criticized. The position of the Board was that during the year ending 31st March, 1911, it collected in rates £2,897, and received for licensing fees £89, giving a total revenue of £2,986. The sum it spent on public works during the year was £1,275, and its cost of management £389. Its total expenditure was £4,494; its cash assets £523; and its liabilities, excluding loans from the Government, £15,210. With reference to the percentages, he had asked the Government Statistician to work them out, and for Waimakariri-Ashley the percentage of the cost of management was—on general rates, 13·42; on local revenue, 13·02; on public-works expenditure 30·50; and on the total expenditure, 9·47. These were the figures as supplied by the Board to the Government.

Mr. R. EVANS replied that he was not very far out, as he had said $9\frac{1}{2}$ —on general rates, $13\frac{1}{2}$; and on public expenditure, 30.

The Conference adjourned at 5.50 p.m.

SECOND DAY.

WEDNESDAY, 22ND MAY, 1912.

The Conference resumed at 10.25 a.m., there being present: The President (the Hon. G. W. Russell, Minister of Internal Affairs), Mr. J. W. Black (Minister's Private Secretary), Mr. J. Hislop (Under-Secretary for Internal Affairs), Mr. J. W. Blow (Under-Secretary for Public Works), Mr. M. Fraser (Government Statistician), Dr. Valintine (Chief Health Officer), Mr. W. Jolliffe (Law Draughtsman), and all the members of the Conference, with the exception of Mr. Vernon Reed, M.P., and Mr. K. S. Williams.

The PRESIDENT said he desired, on behalf of the Executive, to apologize for the slight delay in starting the proceedings; they had been engaged in the work of endeavouring to arrange the Committees. He hoped to get the Committees set up before 1 o'clock, unless the Conference desired to continue the discussion into the afternoon. A careful selection had been made, so that all interests should be represented on the four Committees proposed to be set up. They were: (1.) A Municipal Committee. (2.) A Committee to consider the combined questions of the Local Government Board and the Provincial Councils. (3.) A Committee to deal with the proposed amalgamation of the smaller bodies and with county interests generally, and also what should be done in connection with the smaller harbours; the Executive, he might say, were unanimous—and he quite agreed with them—that the larger harbours must be kept apart from any proposed change. (4.) A Committee to deal with education and hospitals and charitable aid. He would now proceed to take the views of any gentleman who desired to continue the discussion on the general principles of the Bill.

Mr. JOHN STUDHOLME (Ashburton County Council) said his views with regard to the placing of the control of education and charitable aid and hospitals under Provincial Councils differed from the views of the majority of the delegates. The Government, he thought, deserved credit for the courage they had shown in calling together such a Conference as that which he was addressing, because it was only human nature that such a body of men would pass much adverse criticism on their handiwork, and would be unwilling to sign the death warrant of their own local bodies. He believed, however, that the case for a radical change in the present system of local government was very much stronger than might be supposed from the opinions that had been expressed. He believed there was great need for a change, and not merely a measure of a tinkering nature, but a bold, comprehensive measure such as the one they had before them. His attitude towards the Bill was governed chiefly by his view as to what were the main defects of the present system, and the manner in which the Bill proposed to deal with those defects. The first great defect in the present system, to his mind, was this: the local bodies, as at present constituted, owing to their—generally speaking—individual weakness, owing to their multiplicity, owing to the absence of any system of cohesion by means of which they could form a collective opinion, were unable to keep the necessary balance between local and central government; they were unable to act as an efficient counterpoise to the prevailing tendency to centralize control in Wellington. This was a very great defect. Owing to its geographical configuration, this country was highly susceptible to harm by excess of departmental centralization in Wellington. Another great defect was the excess in the number of local bodies. He need not labour this point, because, he thought, all present were more or less agreed as to that. As an example, he might mention that in the Ashburton district they had sixteen local bodies, while under the Bill they would have three, or possibly four. This would mean a considerable saving in salaries and in other ways. But more important than this economy was the greater efficiency of the work that would be done. The worst feature about many of our local bodies was that they were not sufficiently strong to carry out their work in an efficient manner. A great deal of the work was done in a slipshod manner, owing to the inability of the local body to pay an officer with the knowledge and ability to carry