

SESSION II.
1912.
NEW ZEALAND.

LOCAL GOVERNMENT CONFERENCE, 1912

(PROCEEDINGS OF THE), CONVENED ON BEHALF OF THE GOVERNMENT BY THE HON. G. W. RUSSELL, MINISTER OF INTERNAL AFFAIRS, FOR THE PURPOSE OF DISCUSSING THE LOCAL GOVERNMENT BILL CIRCULATED BY THE RIGHT HON. SIR J. G. WARD, BART., DURING THE FIRST SESSION OF PARLIAMENT IN 1912.

Presented to both Houses of the General Assembly by leave.

COPY OF CIRCULAR LETTER FORWARDED TO CHAIRMEN OF LOCAL BODIES.

Office of Minister of Internal Affairs, Wellington,
22nd April, 1912.

SIR,—

I have the honour to inform you that in the opinion of the Government the time has arrived and is opportune to deal with the question of the simplification of the local government of New Zealand. There has gradually grown up a considerable overlapping of the functions of local bodies, which is not conducive to successful local government. The number of local bodies is felt to be far in excess of the requirements, and their powers are in some respects insufficient to enable them to carry out their work to the best advantage. At the present time there are no less than 124 counties, 113 boroughs, 60 town districts, 149 road districts, 41 river districts, 43 Harbour Boards, 13 education districts, 42 land-drainage districts, and 37 hospital districts in existence, making a total of 622 local government districts.

In the scheme which is now before the country the Government propose to materially reduce the number of local governing bodies by increasing the areas and enlarging the functions of the local bodies proposed to be set up. It is therefore the intention of the Government to endeavour to pass into law, with such amendments as may be considered desirable, the Local Government Bill introduced by the Right Hon. Sir Joseph Ward during the recent session of Parliament, a copy of which has already been sent you. The principal features of the Bill are briefly outlined in an explanatory memorandum which accompanied it, and I now enclose further copies of the memorandum for the information of the members of your Board.

In view of the importance of the subject and the changes proposed in the Bill, it is deemed advisable to submit it to a conference of delegates of local bodies for discussion and consideration of amendments; and arrangements are being made for such conference to be held in Wellington, in the Dominion Museum building, commencing on Tuesday, 21st May proximo, at 10 a.m.

It is obvious that direct representation of each local body concerned would make the conference altogether too unwieldy. It has therefore been decided that local government districts should be grouped in certain areas, and that all the local governing bodies within such areas should meet and elect a delegate or delegates to the conference. As hospital districts, consisting as they do of groups of counties, have well-defined boundaries, it is proposed for the sake of convenience that they shall comprise the areas referred to, and that the Chairman of each Hospital and Charitable Aid Board (with the exception of the groups of districts mentioned below) shall convene a meeting at an early date, such meeting, of course, electing its own chairman. This course is also proposed because the Hospital Board will doubtless have the necessary accommodation and be in a sufficiently central position to make it convenient for the local bodies from all parts of the district to meet together and select their delegate or delegates to the conference in Wellington.

In a few cases, where the population or the number of local bodies within the boundaries of a hospital district is too small to warrant separate representation, it has been decided to group such a district with another, or others, and that a delegate or delegates be elected for the group so formed. The following are the hospital districts that have been so grouped:—

Coromandel } Thames Waibi	Hawera } Patea	Wairau } Picton	Buller } Inangahua	Vincent } Maniototo	Southland } Wallace and Fiord.
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The Chairman of the Hospital and Charitable Aid Board at _____ will advise you in due course of the time and place of the meeting for your district.

For your information, there will be _____ delegate required to represent the _____ Hospital District at the Wellington conference.

Each delegate to the conference at Wellington will be allowed 10s. per day travelling-allowance in addition to locomotion expenses to and from Wellington. Other expenses incurred will require to be paid by the respective local bodies.

I have the honour to be,

Sir,

Your obedient servant,

G. W. RUSSELL,

Minister of Internal Affairs.

DELEGATES ELECTED TO THE LOCAL GOVERNMENT CONFERENCE.

Bay of Islands.—Vernon Reed, Esq., M.P.

Marsden-Kaipara.—H. J. Slade, Esq., Chairman, Hobson County Council.

Auckland.—C. J. Parr, Esq., Mayor of Auckland; H. Schofield, Esq., Chairman, Hospital Board; G. J. Garland, Esq.; M. J. Coyle, Esq., Mayor of Mount Albert; J. G. Rutherford, Esq.; H. R. French, Esq., Clerk, Warkworth Town Board; Ebenezer Allen, Esq.

Thames-Waihi-Coromandel.—H. Lowe, Esq., Mayor of Thames; H. M. Corbett, Esq., Chairman, Ohinemuri County Council.

Waikato.—John Bailey, Esq., Chairman, Waikato County Council; John Fisher, Esq., Chairman, Waipa County Council.

Bay of Plenty.—D. J. McEwen, Esq., Chairman, Tauranga County Council.

Taranaki.—Ebenezer Maxwell, Esq., New Plymouth Harbour Board; Joseph Brown, Esq., Chairman, Taranaki County Council.

Stratford.—William Hathaway, Esq., Chairman, Stratford County Council.

Hawera-Patea.—J. T. Quin, Esq., Chairman, Eltham County Council.

Wanganui.—William Ritchie, Esq., Chairman, Waitotara County Council; E. N. Liffiton, Esq., ex-Mayor of Wanganui.

Wellington.—David McLaren, Esq., Mayor of Wellington; James Trevor, Esq., Chairman, Hospital Board; Robert Lee, Esq., Chairman, Education Board; J. W. McEwan, Esq., Mayor of Petone; F. W. Venn, Esq., Chairman, Horowhenua County Council.

Palmerston North.—J. A. Nash, Esq., Mayor of Palmerston North; J. G. Wilson, Esq., Chairman, Manawatu County Council.

Wairarapa.—W. J. Welch, Esq., Chairman, Masterton County Council; Alexander D. McLeod, Esq., Chairman, Featherston County Council.

Waipawa.—F. Cowper, Esq., Chairman, Dannevirke County Council.

Hawke's Bay.—Mason Chambers, Esq., Chairman, Hawke's Bay County Council; A. E. Jull, Esq., Chairman, Counties Association.

Wairoa.—Joseph Corkill, Esq., Mayor of Wairoa.

Cook.—Dr. J. C. Collins, Hospital Board.

Waipapu.—K. S. Williams, Esq., Chairman, Waipapu County Council.

Wairau-Picton.—J. G. Armstrong, Esq., Chairman, Awatere County Council.

Nelson.—Horatio Everett, Esq., Waimea County Council; C. J. Harley, Esq., Nelson City Council.

Buller-Inangahua.—D. J. Williams, Esq., Chairman, Buller County Council.

Grey.—Henry Bignell, Esq., member Hospital Board.

Westland.—T. Kennedy, Esq., Chairman, Westland Hospital Board.

North Canterbury.—J. Bruce, Esq., Chairman, Akaroa County Council; M. Dalziel, Esq., Chairman, Education Board; J. H. Davidson, Esq., Amuri County Council; R. Evans, Esq., Chairman, Waipara and Eyre County Councils; F. Horrell, Esq., Chairman, Hospital Board and Rangiora County Council; R. Moore, Esq., Deputy Chairman, Lyttelton Harbour Board; J. Storry, Esq., Chairman, Ellesmere County Council.

Ashburton.—John Studholme, Esq., Ashburton County Council.

South Canterbury.—W. S. Maslin, Esq., Hospital and Charitable Aid Board; C. N. Orbell, Esq., Chairman, Levels County Council.

Waitaki.—R. Milligan, Esq., Chairman, Oamaru Harbour Board.

Otago.—J. Wilson, Esq., Mayor of Dunedin; J. H. Walker, Esq., Chairman, Hospital Board; H. M. Driver, Esq., Chairman, Bruce County Council; D. Stewart, Esq., Mayor, Balclutha; A. S. Orbell, Esq., member of Waikouaiti County Council; H. O'Neill, Esq., Chairman, Waihemo County Council.

Vincent-Maniototo.—John Smart, Esq., Chairman, Vincent Hospital Board.

Southland, Wallace, and Fiord.—William Macalister, Esq., Southland Education Board; H. J. Middleton, Esq., member of Southland County Council; John Fisher, Esq., Southland Education Board.

LOCAL GOVERNMENT CONFERENCE, 1912.

FIRST DAY.

TUESDAY, 21ST MAY, 1912.

The Conference met at the Sydney Street Schoolroom at 10 a.m.

Present: The Prime Minister (Hon. T. Mackenzie); the Minister of Internal Affairs (Hon. G. W. Russell, President of the Conference); the Minister of Finance (Hon. A. M. Myers); the Minister of Public Works (Hon. W. D. S. Macdonald); the Minister of Customs and Labour (Hon. G. Laurenson); the Postmaster-General (Hon. H. G. Ell); the Hon. T. Buxton (member of Executive Council); Mr. J. Hislop (Under-Secretary for Internal Affairs); Mr. H. J. H. Blow (Under-Secretary for Public Works); Dr. T. H. Valintine (Inspector-General of Hospitals); Mr. W. Jolliffe (Law Draughtsman); Mr. M. Fraser (Government Statistician); Mr. J. W. Black (Private Secretary to Hon. G. W. Russell); Mr. T. F. Martin (Secretary, Treasurer, and Solicitor to the Municipal Association of New Zealand); and the delegates to the Conference, with the exception of Messrs. J. G. Armstrong, V. Reed, and K. S. Williams.

THE PRIME MINISTER'S REMARKS.

The Hon. T. MACKENZIE (Prime Minister) said,—Gentlemen, I have very great pleasure in welcoming you all to take part in the discussion of a measure that has been demanded for a great many years. Speaking my own personal thoughts about the demand for enlarged local government, I believe that in the abstract there has been a great demand for it, but that in the concrete it has always been trifled with. We have gathered together here to-day what, in my opinion, is, so far as local government is concerned, the concentrated experience and wisdom of this Dominion. We have called you together, gentlemen, to get constructive assistance from you. If you consider that an enlarged measure of local government is desirable, and you assist the Minister in charge with your experience and wisdom, that assistance will be highly appreciated. There are necessarily some points in the Bill which will excite considerable discussion, but we do not want to approach the consideration of this matter in any party spirit at all. If it is to be contested as a party question and a Bill is brought down to the House it will be impossible to do anything effective. Let us therefore for once in the history of New Zealand, if possible, forget that our chief duty is to tear each other's eyes out, and devote ourselves to building up and constructive work, considering every question upon its merits and coming to decisions accordingly. There is, at any rate, one feature of this question upon which I think I should make a distinct pronouncement, and that is the question of education. Although it was in the Bill submitted to the House, that Bill was rather in the way of forming the framework for consideration. Now, the question of education is much too serious a subject to be lightly trifled with, and I think it but right to make it absolutely clear that my idea in connection with the control of primary education at any rate is that what we are carrying out now is the result of evolution and development extending over a period of forty years. I believe, too, that our Education Boards are largely comprised of specially interested and trained men who are likely to do far better work than would be done if their powers were handed over to a local governing body. Therefore my view on that subject is that it is better to enlarge the powers of our Education Boards, and to restore some of those powers that were wrongly taken away some years ago. If there is any dissatisfaction in connection with the work of primary education, or of secondary education, I think that dissatisfaction is in proportion to the interference from the central authority. That is my opinion, and as we intend to get at the bottom of the increased expenditure, and of the question as to the efficiency of the system, we have set up a Commission for that purpose, and I am going to await its decision; but personally I am not in favour of the control of education being given to Provincial Councils. You may say that is a funny position for a Minister to take up, and my critics may say that I was a member of the Cabinet that circulated that Bill; but I do not care that—[a snap of the fingers]—for this criticism. I am going to tell you what I think about it, and having told you, it may or may not influence your deliberations; but I do not want to mislead you, but to give you my opinion

as the head of the Government, and as the Minister in control of primary education. I do not intend to take up much of your time. My colleague the Hon. Mr. Russell has devoted himself with a great deal of energy to the duty of evolving something for your consideration, and we shall await the result of your deliberations—your recommendations—with very great interest indeed, and we hope that what you will evolve will be some improvement upon the existing condition of affairs. You may take it that the Government will give the very widest and best assistance possible to carrying into law what your decisions may include. I am sorry that my colleagues and myself will not be able to stay longer with you, as we have a great deal of very important business to transact, but if required I shall be only too glad to meet you again. Mr. Russell will now take on the presidency of your gathering, and I wish you very great success in the operations you are about to undertake. (Applause.)

The Hon. G. W. Russell, Minister of Internal Affairs, then took the chair as President.

THE PRESIDENT'S INAUGURAL ADDRESS.

The PRESIDENT (the Hon. G. W. Russell) then delivered the following address :—

PRELIMINARY AND HISTORICAL.

GENTLEMEN,—

I have to thank you for coming to Wellington for the purpose of taking part in this Conference, which is probably the largest and most important that has yet been held in New Zealand.

The subject we have to deal with is the reform of local government in the Dominion. It is one of vast importance, because local government comes home to the people day by day, and reaches them in their daily life to a far greater degree than does the General (or Central) Government. I fully recognize the work that is being done by the local governing bodies of the country—work that is done without any reward, and often with but little recognition in the way of honour. And yet it is the work upon which has depended the expansion of settlement, the pushing-back of the confines of civilization, the development of the interior, and the general progress of the people of New Zealand.

Upon such an occasion as this one cannot help glancing back at the record of past days. History tells us how first this country obtained Responsible Government, and how subsequently, through the genius and statesmanship of Sir George Grey, the provinces were established. Although the provinces then were isolated centres of settlement, without the constant communication by rail and post and telegraph of modern days, the Provincial Governments did splendid work in developing the different sections of New Zealand to the extent and in the manner they did. Supported as they were by the Land Fund—their revenue largely provided by the sales of the State lands, which were passed over to them—they were able to do excellent work in their day and generation. They left a record of good service, and the names of many of the Superintendents hold a high and honoured place in the history of the country. One cannot on such an occasion as this forget to mention the names of men like Grey, Williamson, and Whitaker, of Auckland; Carrington, of Taranaki; Ormond, of Hawke's Bay; Featherston and Fitzherbert, of Wellington; Rolleston and Moorhouse, of Canterbury; Macandrew, of Otago; and Menzies, of Southland; besides others connected with the smaller Provinces of Marlborough, Nelson, and Westland.

But in due time conditions changed. The provinces were found to be proving a disadvantage in the government of the country rather than a means of progress, and in 1876 they were abolished and the county system was established. That system has been in force ever since. It was intended as a means of providing for the government of the rural districts of the Dominion, side by side with the municipal form of government provided for the towns and cities, while the Town Boards were established as a means of leading up to municipalities in growing centres.

But there was another form of government which had existed previously in some of the provinces, and which has been continued right through. I refer to the Road Board system; the intention being that while the county form of government should provide for the larger affairs of the rural districts, the Road Boards should attend to the district roads and the smaller parochial matters of government.

As the Dominion has developed, fresh local bodies have been called into existence, including River Protection Boards, Land Drainage Boards, Water-supply Boards, City and Suburban Drainage Boards, Harbour Boards, Education Boards, Hospital and Charitable Aid Boards, and so on. Besides the moneys that have been expended by these bodies, of which I shall give particulars later on, there has also been a large annual expenditure by the Central Government upon roads and bridges. This has continued uninterruptedly to date, and the stream of expenditure upon roads and bridges is flowing as full and fast as ever.

AN OUTCRY FOR REFORM.

For a number of years there has been a loud outcry for reform in local government, but those who have been most active in raising the cry have not been precise in their statement of what they considered was wanting. There has simply been a general outcry for reform; but when the speakers have been asked to state in what directions they considered reform could most effectively be introduced the oracles have been silent. What have those who have cried out for local-government reform meant? Have they wanted fewer local bodies with enlarged powers, and cheaper administration? Or has it been merely a desire to get higher subsidies from the State?

ESSENTIALS OF SOUND LOCAL GOVERNMENT.

And here let me ask the question, What are the essentials of sound local government? I would define them as follow:—

- (1.) Simplicity of form and method;
- (2.) Efficiency as regards local and district needs;
- (3.) Economy of administration;
- (4.) Sound and assured finance;
- (5.) Capacity for promoting local development;
- (6.) Power to group contiguous districts for common purposes.

That there is room for effort in the direction of simplification and economy goes without saying. The work of Education Boards, Harbour Boards, and Hospital and Charitable Aid Boards covers, in many cases, practically the same territory. In not a few instances gentlemen occupy seats on all these bodies, meeting in different places in the same town, having different staffs of officers, and sometimes having divergent or even opposite interests. Surely there is here a waste of power, ability, and money, which the united common-sense of the country should be able to stop.

The same thing applies in the smaller centres. It frequently happens that the County Council, the Road Board, Town Board, Hospital Board, Education Board, Domain Board, Cemetery Board, and School Committee all meet in the same town or village. Sometimes a Land Drainage Board, a Water-supply Board, or a River Protection Board is added to the list. Can we not unitedly devise a means by which some of these can be absorbed, and one strong body created that will, like Aaron's historical rod, swallow up the rest?

That there has been an enormous increase in the number of local bodies during recent years is well known. Between the 31st March, 1906, and the 31st March, 1911, the number of counties increased from 98 to 119—an increase of 21 in five years. Presumably the same process will go on, unless some steps are taken to put an end to this wholesale subdivision of existing public authorities. With regard to a number of these new counties, it is doubtful if they should ever have been allowed to come into existence. No standard of population or rateable value has been applied; and so long as no opposition was raised in Parliament the process of multiplication has been allowed to continue, and the result has been that instead of strong county governments being established it has been found in many cases that the new bodies are merely Road Boards under the glorified name of County Councils. There can be little doubt that Government subsidies had a good deal to do with encouraging the creation of new counties.

Dealing now with what I have defined as the essentials of a sound form of local government, let us examine how far our present system meets those essentials.

(1.) *Simplicity of Form and Method.*—Can it be said that there is simplicity in a form of local government which provides for Road Board and Town Board operating within the same sphere as a County Council—levying rates and having separate staffs, and possessing to some extent the same functions? Some of the existing counties have a population of less than 1,000 persons; many others have less than 2,000 persons; only twenty-five have a population of over 5,000. A system of local government which allows three different forms of governmental administration to exist within such sparsely populated areas is surely not only fantastic, but utterly ridiculous. In addition, however, to the three classes of authorities named, there are others in the same district—such as the Education Board, the School Committees, the Hospital and Charitable Aid Board, the Harbour Board, and several others, all of which necessitate certain expenses for election, and, in most cases, for management. I think that the mere statement of the case which I have presented shows that the system at present in operation is wanting so far as simplicity of form and method is concerned.

Here it may not be inappropriate if I place before you a list of the public bodies engaged in carrying on the local government of the million or so of people who constitute the population of New Zealand, as follows:—

Borough Councils	113
County Councils (Act not in operation in 9)	115
Road Boards	149
Town Boards	56
River Boards	38
Land Drainage Boards	41
Water-supply Boards	2
City and Suburban Drainage Boards	3
Harbour Boards	32
Tramway Boards	2
Hospital and Charitable Aid Boards	37
Fire Boards	20
Rabbit Boards	3
Rabbit-proof Fencing Board	1
	612
Domain Boards (Lands Commissioner), (approximate)	525
Cemetery Boards (Crown lands), (approximate) ..	600
	1,125
Education Boards	13
School Committees (approximate)	2,100
College and High School Boards	23
University College Councils	4
	2,140
Total	3,877

Assuming that the above bodies have an average membership of six, we have 23,262 persons engaged in some form or other of local government in the Dominion, or one out of every forty-three persons of the entire population, or probably, if we take the adult male population, one in about every fifteen.

(2.) *Efficiency as regards Local and District Needs.*—No doubt the evolution of time and the practical experience of those engaged in the work of local government have, upon the whole, secured a certain amount of efficiency as regards what I may call the “bread-and-butter” duties and responsibilities of the local-government bodies—such as attending to roads, bridges, streets, &c. But there are many higher purposes that come under the heading of local government—such as libraries; the preparation of suitable by-laws, varying according to the district in which those by-laws are intended to operate; and many such matters—which cannot be upon a sound footing while the bodies that deal with them are weak so far as both population and finance are concerned.

One of the questions that I think this Conference should consider is how far it is possible to increase the functions of those local bodies that are to con-

tinue in existence, so that we may secure for the people of the country the highest efficiency with regard to local government, and thus obtain the very best results in every direction. In other words, what I would like to see is a general development and evolution of the local governmental machine, in order that by the use of the collective finances of every district the security, convenience, comfort, and progress of the people who reside in that district may be appreciably increased.

(3.) *Economy of Administration.*—I now come to the question of economy of administration, and here I think the figures that I have to lay before the Conference will be of sufficient importance to warrant my making at this stage detailed reference to the results as shown by the Statistical Department of the Government.

The total receipts of all the ordinary local-government bodies in New Zealand during the year ending 31st March, 1911, were £5,428,070, made up as follows:—

General rates	£	1,117,398
Special and separate rates		474,489
Licenses, tolls, rents, and other sources		1,829,613
From Government as subsidies, &c.		229,611
Total revenue		3,651,112*

to which must be added

Receipts not revenue—that is, loans, special Government grants, subscriptions, &c., for ordinary or special works	£	1,776,958
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making a grand total of receipts of £5,428,070

The expenditure of all the ordinary local-government bodies in New Zealand during the year ending 31st March, 1911, was £5,138,976, made up as follows:—

On public works	£	2,974,689
On management		333,502
Grants to Road, Town, and River Boards		6,819
Interest, &c., on loans, and maintenance other than roads, &c.		1,823,964
		<u>£5,138,976*</u>

Eliminating the Harbour Boards, whose finances are of a somewhat exceptional character, the following are the figures for all other local authorities, excluding Hospital and Charitable Aid Boards and Tramway Boards:—

Revenue raised locally	£	2,613,027
General rates included in the above		1,082,594
Cost of management		253,551

On the above figures the cost of management represented 9·70 per cent. of the total revenue raised locally, and no less than 23·42 per cent. on the total general rates, while the cost on public-works expenditure of the various Boards was 11·32.

Taking the general rates as a basis for the cost of management, they work out as follows:—

	Per Cent.
All boroughs	29·84
Boroughs under 3,000 population	39·32
Boroughs over 3,000 population	27·92
Counties	19·49
Road districts	15·38
Town districts	31·54
River districts	30·81
Land drainage districts	23·54
City and suburban drainage districts	20·95
Water-supply districts	23·48

* Shillings and pence omitted.

I think no one who looks at the above figures carefully will deny that the people of this country are paying a heavy price for the administration of local government, and no further proof is wanted of the statement that the multiplicity of local bodies is certain to lead to increasingly large expense in connection with local government.

There can be no doubt that the Road Boards, some of the Town Boards, the River Boards, and the Land Drainage Boards should be capable of being absorbed by the County Councils; and where the functions and responsibilities of River Boards, Land Drainage Boards, and Water-supply Boards extend over and beyond the existing county boundaries, a simple method of grouping the counties interested for the particular purpose of dealing with the water-supply should easily be found, in order that the bodies to which I have referred might be absorbed and consolidated with the counties. Increased powers are also necessary to facilitate the grouping of contiguous boroughs and areas.

Taking some of the Road Boards, Town Boards, and Land Drainage Boards as examples, I find the following:—

ROAD DISTRICTS.

	General Rates raised.	Cost of Management.	Cost of Management Per Cent. of General Rates.
	£	£	
(a.)	69	98	142.03
(b.)	200	107	53.50
(c.)	163	236	144.78
(d.)	70	52	74.29
(e.)	56	38	67.88

TOWN DISTRICTS.

(a.)	54	42	77.78
(b.)	701	400	57.06
(c.)	20	15	75.00
(d.)	261	319	122.22
(e.)	164	257	156.71
(f.)	70	45	64.29
(g.)	437	219	50.11
(h.)	160	87	54.37
(i.)	333	278	83.48
(j.)	10	15	150.00

LAND DRAINAGE DISTRICTS.

(a.)	£ 95	£ 57	60.00
(b.)	30	41	136.66
(c.)	184	214	116.30
(d.)	34	108	317.65
(e.)	111	116	104.50
(f.)	8	5	62.50
(g.)	186	164	88.17
(h.)	50	27	54.00

The cases which I have quoted to you may be regarded as “shocking examples of local government run riot,” and I think you will have very little difficulty in coming to the same conclusion as the author of the Bill which is now before you—namely, that administration of this kind should be abolished.

In order to show more fully the present expensive cost of management of local bodies in the Dominion I have had the following table prepared:—

PERCENTAGE OF COST OF MANAGEMENT OF THE SEVERAL CLASSES OF LOCAL AUTHORITIES ON (a) REVENUE RAISED LOCALLY, (b) GENERAL RATES, AND (c) PUBLIC-WORKS EXPENDITURE.

Class of Local Authority.	(a.) Revenue raised locally.	(b.) General Rates.	(c.) Public-works Expenditure.
1. All boroughs	7.02	29.84	10.44
2. Boroughs under 3,000 population	14.51	39.32	13.11
3. Boroughs over 3,000 population	6.12	27.92	11.82
4. Counties alone	15.24	19.49	10.09
5. Road districts separately	11.55	15.38	10.04
6. Town districts separately	16.12	31.54	12.28
7. River districts	11.51	30.81	21.09
8. Land drainage districts	14.55	23.54	8.93
9. City and suburban drainage districts	18.48	20.95	9.18
10. Water-supply districts	8.51	23.48	13.12
—	All Local Authorities (except Harbour Boards).	Harbour Boards.	Total.
Total revenue raised locally	£ 2,613,027	£ 808,473	£ 3,421,500
Total general rates	1,082,594	34,804	1,117,398
Total cost of management	253,551	79,951	333,502
Percentage of cost of management on total revenue raised locally	9.70	9.89	9.75
Percentage of cost of management on total general rates	23.42	..	29.85
Percentage of cost of management on public- works expenditure	11.32	10.89	11.21

HOSPITAL AND CHARITABLE AID BOARDS.

Administration formed 4.87 per cent. of total revenue.

Administration formed 9.45 per cent. of the total revenue, less Government subsidy and voluntary contribution.

Administration formed 4.91 per cent. of total expenditure.

I am glad to find, from a perusal of the report of the Counties Conference which was held in August of last year, that the view I have expressed with regard to the desirability of abolishing Road Boards was adopted by the President of that Conference—Mr. Jull—in his opening address, in which he laid down the principle that “the work now done by the Road Boards could be better done by the County Councils.”

With regard to the abolition of the town districts, there is perhaps something more to be said. You will observe that the Bill before you proposes a distinction, some classes of town districts being intended to be selected for raising to the dignity of boroughs or municipalities, whilst others are to be absorbed in the county within which they are situated. This is a matter upon which I think this Conference might very well express an opinion. The statistics show that there are fifty-seven town districts (I exclude Rotorua), of which only thirteen had a total revenue of over £1,000 last year; twenty-one of them had a total revenue of less than £500, including all rates, licenses, tolls, rents, &c., and Government subsidy.

It seems to me that there are three courses open in connection with these bodies: One is to let them to go on as they are, and allow the Act to continue; the second would be to select the more important ones and raise them, as is proposed in this Bill, to the rank of municipalities, throwing the smaller and less important ones into the counties; a third course that might be adopted would be to attach to existing boroughs the Road Boards contiguous to those boroughs, provide for their representation on the local Borough Council, and allow the borough to

absorb them instead of the county. Perhaps it might be desirable to provide power for either of these methods to be adopted, on the recommendation of the Local Government Board. At the same time, I think that it might be advisable to give some encouragement to small villages to govern themselves—after the style of English Parish Councils, without the cumbrous and expensive methods of Town Board legislation—by a system of what I may call Local Committees.

The outlying portions of a county will not be willing to rate themselves for the purpose of providing special conveniences for those who may live in growing townships. Many such townships are now springing up along the North Island Main Trunk line, and it is desirable that an opportunity should be given for the development of this class of village or locality. The form of government should be of the simplest class—simpler even than the English Parish Councils. Town districts are more like imitation boroughs than is desirable. I think, therefore, that the Local Committees which I suggest might be elected more on the method of School Committees, by an annual meeting of residents; that the district should be not more than, say, two miles square, and should have a population of at least a hundred resident ratepayers; that the powers of the body should be confined to such questions as streets, lighting, local drainage and scavenging, libraries, baths, footpaths, and similar matters. The Local Committee should have no power of rating, but should indicate to the County Council what its requirements will be. The Council should then levy a separate rate on the district for the purpose of providing for the wants of the inhabitants as indicated by the Local Committee, and the administration should be in the hands of the County Council.

(4.) *A Sound and Assured Finance.*—This probably is the crux of the whole question—namely, how far should the entire financial responsibility of local government rest upon the various localities, or how far is it incumbent upon the Central Government to assist to provide the cost of the local governing bodies?

There seems to be a consensus of opinion that that portion of the local bodies' revenues which are described as tolls, licenses, &c., should continue as at present. The question is how far the State should be held responsible for the assistance of all local authorities and for the development of the out-districts. At present a system is in operation providing for payment of subsidies on general rates on the scale of last year's Appropriation Act, and of the Municipal Corporations Act, and the Hospitals and Charitable Institutions Act.

In the Bill which is now before you a fresh basis was proposed, by dividing the capital value of the rateable property in the county by the number of square miles included in the county and granting subsidies ranging from 2s. 6d. to 20s. in the pound. I have had this scheme of subsidies worked out by the Valuer-General compared with the existing scheme and am satisfied that it is unworkable, and this feature of the Bill must, I think, be abandoned.

Perhaps some light might be thrown upon this important question if we consider the method that is adopted in New South Wales. There the shires receive an endowment in the shape of a direct subsidy from the Central Government. For the purpose of the subsidy the shires are divided into six classes, and in determining the class of each shire the following matters are taken into consideration: (a) The extent of the shire; (b) the probable annual revenue derivable from a rate of 1d. in the pound on the unimproved capital value of rateable land in the shire; (c) the necessary annual expenditure; (d) the extent of the roads to be made and maintained; (e) the difficulty of construction and maintenance of roads and other public works; (f) the facilities to be afforded to vehicular traffic; (g) the extent of public works maintained by the Government; (h) the extent of Crown lands (other than parks or reserves for public recreation) from which the Council will receive no rates, and the existence of which in the shire involves expenditure by the Council on road-construction or in other ways.

A graduated system of subsidies is provided, representing 10s. in the pound on the general rates for the first class, and rising at the rate of 5s. in the pound for each class up to the fifth class, when it rises 10s., and becomes 40s. in the pound for the sixth class.

Speaking personally, it appears to me that the system of subsidies should be regulated rather by the necessities of the districts than by the amount of rates that

may be collected. For example, I think no one would suggest that a rich, wealthy, and well-roaded district should receive a subsidy on the same basis as should undoubtedly be paid to an undeveloped, unroaded, bush and hill district, wherever situated; whilst the spectacle of a rich city like Wellington or Auckland, Christchurch or Dunedin, receiving a subsidy upon rates in the same way as a small borough such as Te Aroha, Eastbourne, New Brighton, or Alexandra seems on the face of it absurd. Public subsidies should, I think, be paid according to the necessities of the district which receives the money, rather than upon the wealth of a district. It is true that the subsidies for boroughs are limited to a sum of £450 per year; but one would think that that sum could be far better spent in the backblocks of the province than in a wealthy city with, say, £15,000,000 capital value.

If we could provide a plan by which a certain sum of money could be set aside each year for the development and roading of the backblock portion of the country, and if the distribution of this money were placed in the hands of the Local Government Board, so that each district had to prove its claim, I think a better system would be found than that which we have at the present time.

One of the questions therefore which should be submitted to this Conference is this: *Is it desirable in the interests of the country that the present system of subsidies and roads-and-bridges grants should be continued; and in what direction can a change be made so as to provide for the interests of the out-districts and smaller centres with weak finances, without pressing unfairly and unduly upon the more-settled portions of the Dominion?*

I need not point out to you, gentlemen, that this is a very difficult and thorny question. Whether it is possible in a country situated as New Zealand is, with its unsettled territories, its varying classes of country and industries, and its diverse interests, to formulate a scheme which would work automatically is a problem which, I think, you, as a body of responsible men experienced in local government, should be asked to consider. If this large gathering of the most experienced men in the country cannot suggest a remedy I fear the problem must for the present be regarded as unsolvable.

There has been an outcry in recent years against votes for roads and bridges. What is the remedy? What substitute can be proposed? Is it to stop making such grants altogether, and throw on the settlers of the backblocks the cost of making the roads leading to their homes? I think you will agree with me that the State owes a responsibility to the pioneers who have pushed settlement farther and farther back. It is the duty of the State to see that they have access by means of fair roads and safe bridges in order to get to and from their lands, and that their produce may be got to market.

But it is equally true that when those roads and bridges are made the affected lands at once rise enormously in value, and, seeing that directly the settlers are on the land they are liable to pay rates, which increase with the rise in the value of the land, the cost of those roads and bridges might, by a long process of repayment, be recouped to the State by the local body in which they are situated. This was the principle underlying the Roads and Bridges Construction Act and the later Loans to Local Bodies Act, which have now been absorbed in and repealed by the State-guaranteed Advances Act, under which for the financial year ending on the 31st March, 1911, the sum of £404,163 was owing by local bodies.

There will, however, be a residue of public works (which should gradually be reduced to the vanishing-point) where grants may still be necessary to meet obligations on the part of the State that have not been fulfilled. And on this point I think there should be a general agreement with the principle—viz., that all grants should be for new work and development, and that *no Government grant should be allowed to be used for purposes of maintenance*, except in the case of Government roads and roads which pass through country where virtually no rates are collectible.

(5.) *Capacity for promoting Local Development; and (6) Power to group Contiguous Districts for Common Purposes.*—I shall refer to these two aspects of the question when I come to deal with the Provincial Council proposals.

PROVINCIAL COUNCILS.

The leading feature of the Bill, so far as its policy proposals are concerned, is undoubtedly that for the establishment of Provincial Councils.

For a long time past there has been a cry throughout the country that centralization had become too general in connection with the government of this country; and it is quite true that ever since the provinces were abolished there has been a tendency to centralize the power and influence of the Government in this city. We all desire to see a spirit of truly local self-government established amongst the people of this country. But the problem is, How can this be supplied with the existing local authorities? It is entirely opposed to public sentiment, and it is unthinkable that the cities should have, as such, any power or authority over the rural districts, and consequently there is no body that stands between the units of self-government formed by the municipalities and the counties on the one hand and the Central Government on the other. The question is whether it is desirable and possible to create bodies which shall stand between these two opposing poles and prove effective in assisting the government of the country.

Sir Joseph Ward, who, in my opinion, has approached this question as a statesman rather than as a mere politician, has in this Bill suggested that for certain general purposes there should be a grouping of counties and boroughs together; and he has called the resultant body a Provincial Council. Having considered it advisable to establish these bodies, the natural course was clearly to ascertain what functions could be passed over to them which represented united and cumulative powers and responsibilities; and he found these things to his hand in harbours, education, and hospitals and charitable aid. These three features of our political and social life all represent wide interests. Our large harbours are the channels for the exports and imports of large and very diverse districts; our education system, which is of the very highest interest to the body politic, covers also large areas; and the hospital and charitable-aid law is based upon the principle that the interests and responsibilities of town and country are so closely entwined as to be inseparable.

I have read a great deal of criticism in connection with the proposal to establish these Provincial Councils, which has appeared to me to be somewhat misconceived. They have been represented as new rating-machines, whereas at the present time several of the harbour districts exercise rating-powers; and those that do not exercise their rating-powers by a direct tax upon property do so by the rates they levy upon the imports and exports which pass over their wharves. So also with the Hospital and Charitable Aid Boards: they formulate their demands, send out their levies upon the local authorities that are within their districts, and the rates are collected for them and handed over to the respective Boards to expend and administer.

There is, however, a great deal to be said upon this question. I may say at once that in my opinion the provincial districts proposed in the First Schedule of the Bill are too small, and do not assure a sufficient community of interest to make the scheme really workable. There should be a rearrangement of the boundaries of the proposed provinces, and in my opinion the number should be reduced so as to secure larger provinces.

I believe that one effect of the establishment of these provinces would be that the division of interest between town and country, which has become so marked during the last twenty-five years, would probably disappear, and that the people of the provinces would begin to regard the cities and towns to which they belonged with pride, instead of with jealousy and envy.

The Provincial Councils would again become, as in days past, an excellent training-ground for public men, who would thus gain experience in a larger field than the Municipal or County Council, with a view to taking part in the public life of this country.

By establishing the Provincial Councils opportunity would be given for variation, according to the special interests of the districts, in the forms of settlement and civilization; thus provinces which wished to experiment in different directions in local self-government would be provided with the opportunity to do so.

The chief advantage would be that the Central Parliament would be able to hand over to strong governing bodies a number of the functions which now fall

upon it, because there is no other body to which those matters—which in many cases are of purely provincial interest—can be referred. For example, the other day in one city an application was made for a Government grant for a museum. In another city the Domains Board desires to regulate the Government representation upon that body according to the amount of annual subsidy which the Government is prepared to pay. Surely the museums should be regarded as provincial institutions rather than as national ones. In exactly the same way the domains of cities should be regarded with pride by the people of the provincial district, and should be supported by provincial funds rather than by State grants.

I now come to another question that has been dealt with in connection with the Provincial Councils—I refer to education; but as the Government intends to set up a Commission at an early date to consider the question I do not propose to deal further with it.

While many of the subjects on which I have spoken are of great importance, you will see for yourselves that it is almost impossible for the Central Government to undertake a service which is of particular benefit to one district without laying itself open to claims from every other district for exactly the same thing.

I have now, gentlemen, endeavoured to show you the principles that underlie the provincial system that is proposed in this Bill. It is possible that the Bill goes too far, but I am satisfied that if that system were established on statesmanlike lines, and with due regard to existing rights, and were in force a sufficient number of years to test it, its benefits would be so apparent in the power of local self-government that would be given to the people that it would be regarded as a priceless heritage, leading to a higher state of local government than we have ever had before.

DEBTS OF LOCAL BODIES AT 31ST MARCH, 1911.

	£
Counties	185,631
Boroughs	8,399,327
Town Boards	74,265
Road Boards	72,776
River Boards	27,350
Land Drainage Boards	42,827
City and Suburban Drainage Boards	865,000
Water-supply Boards	15,000
Tramway Boards	447,000
Harbour Boards	6,002,400
	£16,131,776

Of this sum, £8,658,476 has been raised in New Zealand (including £404,163 from the State Guarantee Office), and £7,473,300 outside New Zealand.

But besides the above amount of	£16,131,776
there was a sum of	£1,025,663
owing to the Government under the Roads and Bridges Construction Act, Government Loans to Local Bodies Act, and Loans to Local Bodies Act, making a total debt of	£17,157,439

The total charge for interest and sinking fund is	£884,655
to which must be added	£116,155
payable annually under the Loans to Local Bodies Act, being a total annual charge on the local bodies of	£960,810

To indicate the growth of the local-government debt it is sufficient to show the figures, as follows (including Government loans):—

	£
1881	3,039,807
1891	6,414,725
1901	8,465,838
1906	12,298,545
1911	17,157,439

The fact that the loans have more than doubled during the last ten years is important; but we must not ignore the fact that municipal and harbour enterprise—such as tramways, &c.—have increased revenues under the heading of “Licenses, Tolls, Rents, and other Sources,” from £751,046 in 1901 to £1,941,655 in 1911, an increase of £1,190,609; whilst the rates have risen from £734,023 in 1901 to £1,592,601 in 1911, an increase of £858,578.

In England the Local Government Board is the great loan-sanctioning authority. I quote the following from the Municipal Year-book, 1911:—

“Except where money is borrowed under special provisions contained in local Acts, a local authority which desires to borrow money for capital purposes must, generally speaking, obtain from the central authority its approval of the scheme or works, and its sanction to the borrowing of the required funds. In this connection, and as illustrating the Board’s procedure, we may quote from the Board’s Annual Report for 1906–7, p. lii:—

“We have, as in previous years, required the borrowing authorities to supply us with detailed particulars as to the manner in which it has been proposed to expend the loans which we have been asked to sanction, and we have been careful to satisfy ourselves that the works for the execution of which our sanction has been given were reasonably required, that due regard had been paid to economy, and that the cost of the works had been properly estimated. With the view of obtaining full information on these points, and of affording all persons interested an opportunity of being heard on the subject, we have, in relation to a large number of the applications for permission to borrow money, caused local inquiries to be held by our Inspectors after public notice in the districts. Before granting our sanction we have also required the authorities to inform us of the arrangements made for the due discharge of their debt, if any.’”

In New South Wales local-government loans are limited to one-tenth of the unimproved value of rateable lands, and have to be sanctioned by the Governor.

In Victoria the loans are limited to ten times the average income for the three previous years.

This question of borrowing is assuming such vast importance that this Conference might with great advantage express itself upon the following points:—

- (1.) Should the sanction of the Local Government Board be necessary before a loan is obtained?
- (2.) Should the power to borrow be in any way limited, and to what degree?
- (3.) Should all local loans be obtainable only from or through the State-guaranteed Advances Department?

LOCAL GOVERNMENT BOARD.

One of the main proposals of the Bill is the creation of a Local Government Board; and, as this has been very adversely criticized by some of the district conferences that have taken place, I think it may be desirable that I should deal somewhat fully with this proposal.

Hitherto all the functions proposed to be exercised by this Board have been performed either by the Minister of Internal Affairs or by the Governor in Council.

The object of setting up the Local Government Board is to place upon a responsible body of men, to a very large extent, the functions that have been hitherto exercised by the Minister or the Cabinet.

There is a precedent of a most important kind for the setting-up of the Local Government Board, for such a body exists in England, and, as you know, is presided over by the Right Hon. John Burns. The English Local Government Board, which possesses enormous powers dealing with the internal and domestic affairs of England, consists of the President (the Right Hon. John Burns) and a number of high officers of State, including the President of the Privy Council, the holder of the Privy Seal, the Chancellor of the Exchequer, and the principal Secretaries of State. They, however, are to a large extent merely figureheads, for all power is vested in the President, and, subject to him, in the Parliamentary Secretary, the Permanent Secretary, and the five assistant Secretaries.

If I were to proceed to refer at length to the powers that are possessed by the English Local Government Board you would realize how large those powers were.

The Board which it is proposed to set up here, according to the Bill, is to consist of the Minister of Internal Affairs, the Under-Secretary for Internal Affairs, the Under-Secretary for Crown Lands, the Under-Secretary for Public Works, and three other persons appointed by the Governor.

I propose to eliminate the Under-Secretary for Internal Affairs from the Board, because I think that officer should be the Secretary of the Board, and to substitute for him the Valuer-General. With regard to the non-official members, who would in the ordinary course be appointed by the Governor, you will recognize that men who are specially suitable would be selected for the position—men who had taken an active part in local government, either as members of Parliament or of local bodies, or as Civil servants.

When we consider the enormous powers that are vested in the Governor—such as dealing with division, union, and grouping of local authorities, the granting or refusing the formation of boroughs, settling disputes between conflicting local bodies, determining as to the erection of fresh bodies, and the multiplicity of other duties that are now cast upon the Minister of Internal Affairs—you will see the importance of his being able to refer these matters to the decision of a body of experienced men, whose business it will be to form a decisive opinion upon the figures, facts, and evidence placed before them.

I think, therefore, you will see that instead of the establishment of the Local Government Board being, as alleged, a tendency towards centralization, it will be the opposite, and the means of doing incalculable good. It will certainly be a democratic measure.

One of the functions that may have to be placed upon that Board will be the consideration of the question of town-planning. When the Town-planning Bill was before the House last year it was suggested that a Local Government Board should be established for such purposes—and I know of no question that is more important in consideration of the future of New Zealand than a proper system of town-planning—and I feel perfectly sure that if this question could be handed over to the consideration of a Local Government Board, subject to the undoubted rights and responsibilities of the localities affected, it would be far better than that it should be left in the hands of the Governor in Council.

One very great advantage of the establishment of the Local Government Board that is proposed in the Bill would be that it would be its duty to present to the House an annual report on local government, dealing with all phases of this most important subject; and in my opinion this would be a matter of great advantage not only to Parliament, but also to the whole of the local bodies throughout the country. The various tables of figures, statistics, &c., being grouped together in the one paper would provide a mass of information immediately available to the local bodies throughout the country, which would be of great use alike to members of local bodies and the public generally.

Another advantage would be that to this body could be relegated some responsibility, at any rate, with regard to the payment of subsidies upon works that were to be prosecuted by the local bodies, but which had a legitimate claim upon the State for assistance; but to this phase I have already referred.

If, after this explanation, the Conference is of opinion that the Local Government Board proposal is a revolutionary and retrograde measure (as has been frequently asserted at the local conferences for the election of delegates), and if this Conference considers it is better that the powers proposed to be given to the Board should continue to be exercised as hitherto by the Governor in Council, I shall bow to your decision and lay that decision before the Cabinet.

SUGGESTED ALTERATIONS OF THE BILL.

Coming now to the Bill itself, I have to indicate changes that I propose should be made in the Local Government Board. I may say at once that I do not think it would be practicable for the members of the Board to be elected. The responsibility for the appointment of the unofficial members must rest with the Government.

Clause 8. I am of the opinion that the powers, duties, and functions of the Board should be clearly and categorically defined.

Clause 17. With regard to the Provincial Councils, I consider that the number of members that may be appointed should be up to thirty, in order to allow for the very large and important provinces that, I trust, may be created under the Bill.

Clause 24. This provides for a general election every second year. I think that all local bodies should be elected on the same day, and for the same period—namely, three years—as that should be quite sufficiently frequent for the public to express its opinion with regard to matters of local government, and also to give continuity of policy and administration.

Clause 44. This provides for the annual meeting of Provincial Councils. I think this should be amended by making the date of meeting the date upon which the financial statement for the previous year, ending 31st March, must be produced.

Clause 79. I think this clause should be amended by requiring that both general and separate rates shall be imposed by special order, and not by resolution. On this point I would like to say that, in order to simplify the cost of collection, all rates that are leviable in any district should be simultaneous—that is, begin and end on the same day.

Clause 98. This should be amended by ordering that the accounts of every province shall be laid before Parliament.

Clause 139. This clause, which provides for the appointment of a Hospital Committee of the Provincial Council, should be amended so as to provide that there shall be at least five members who are not members of the Council, and these should be elected directly by the people on the same day as the general election of the Provincial Council takes place.

Clause 154. This clause, dealing with education, should be amended in exactly the same way as is proposed for the one referring to Hospital Committees—viz., by providing for at least five members to be elected to the Education Committee of the Provincial Council, who should be elected directly by the people on the day of the annual election.

Clause 175. A clear definition is required of the meaning in this clause of “a provincial road” and “a Government road.”

Clause 194. Any dispute occurring between local-governing bodies should be decided by the Local Government Board.

Clause 199. A new subclause should be inserted to provide for the Local Government Board to hand over river-control to the County Council.

Clause 232. Power should be given to the Local Government Board to constitute a new county and alter the boundaries of counties now in existence, in order to secure greater community of interest, and to group counties which desire to be joined, on the receipt of the necessary petition from the people interested. No new county should be allowed to be created unless it has a capital value of at least £200,000 and a population of 2,000, these figures being, of course, the minimum that must be left in the pre-existing county.

Clause 234. I am not in favour of abolishing ridings for election purposes, but will ask the Conference to express an opinion whether it is desirable or not to continue the system of riding accounts. Personally I prefer the county fund and account only.

Clause 238. It would be well if the Conference were to express a clear line with regard to what class of town district should be allowed to continue, which class should be raised to the rank of municipal Corporations, and which should be abolished. I think power should be taken in the Bill by which, in cases where town districts adjoin boroughs or are near thereto, they should be added to the boroughs.

Clause 276. Power should be given to County Councils to have outsiders on committees as proposed for the Provincial Councils, in order that public-spirited persons may have the opportunity of assisting in the work of government in special directions.

Clause 358. The Local Government Board should have the power to state, if necessary, what is provincial and what is county responsibility in connection with drainage and water-supply.

Clause 381. It should be provided that the county by-laws must not conflict with those of the provinces.

Clause 382. Hawkers' and pedlars' licenses should, in my opinion, be universal, and the same price anywhere in New Zealand.

CONCLUSION.

In bringing my remarks to a conclusion I desire chiefly to sketch what may be regarded as the salient points of the proposals which are placed before you.

They are as follows :—

(1.) To endeavour to secure economy in the local government of the Dominion by abolishing superfluous and unnecessary bodies, and combining their functions with those of larger bodies whose usefulness and necessity are undoubted.

(2.) To create a larger class of governing body, which will stand between the minor governing bodies of the Dominion and the Parliament, and upon which can be placed responsibilities and duties which are now necessarily undertaken by the General Government, which bodies will deal with subjects of special interest to the provinces over which they are placed.

(3.) To endeavour to remove the unfortunate difference of interest that has grown up between the cities and leading towns and their back country, and to unite the natural groupings of the Dominion into consolidated bodies, whose interests will be practically the same.

(4.) To provide a means by which the varying interests of the Dominion may be provided for by local self-government of a more advanced type than we have at present.

(5.) To endeavour to amalgamate under one body the services of Education, Harbour, and Hospital and Charitable Aid Boards, thus securing a larger field of public life and the consolidation of local services under one experienced body, with one administrative head, and one staff.

(6.) To secure, if possible, some measure of control over borrowings of local authorities, in order that extravagances and luxuries may not be undertaken which will place unnecessary burdens upon the populations of the future.

(7.) To endeavour to ascertain whether any means can be devised by which undeveloped portions of the country may be assisted to a greater degree than hitherto in the matter of roads, bridges, &c., by placing the system of subsidies and Government grants upon a sounder and more scientific footing than at present.

(8.) To endeavour to create a sense of responsibility with regard to local government, its cost, burdens, &c., upon the part of the people of the Dominion.

I will only add that this Bill is not intended as the last word on local government: it is a basis for discussion of the whole question. I trust that that discussion will be not on matters of detail, but on general principles. Finally, I hope that no attempt will be made to consider this question from the standpoint of political party, but that we shall unite in seeking to find a method of local government worthy of this Conference, and, above all, worthy of the great country which has been committed to our trusteeship.

(For tabulated information presented to Conference *vide* Appendix.)

MINUTES OF PROCEEDINGS.

LOCAL GOVERNMENT REFORM.

Mr. A. E. JULL (Chairman of the Hawke's Bay County Council) thought the thanks of the Conference was due to the Hon. Mr. Russell for the vast amount of interesting matter he had placed before them. When they had practically the whole Cabinet at their Conference, it was, in his opinion, a clear indication of the serious intention of the Government to take up the question of local government in a practical way. In the past, Local Government Bills had been placed before conferences, and had been torn to pieces, and suggestions made to the Government, and, as a rule, nothing further had been done. In this case, however, the fact that the Minister in charge of the Department concerned was in the chair at the Conference was a clear indication that there was a serious intention to proceed with some measure of local-government reform. He (Mr. Jull) proposed to ask the meeting to pass a resolution of a general character indicating that in the opinion of the Conference some measure of local-government reform was desirable. If the Conference affirmed this, there was some justification for their proceeding further; if they, on the other hand, declared that no reform was necessary, there would, apparently, be no need for further deliberation. He felt sure there would be fairly uniform agreement on this matter. The very large attendance at the Conference and the extreme interest that had been taken throughout the Dominion in connection with the selection of delegates were indications that the people were alive to the necessity for some alteration in the present local-government law. He moved, That in the opinion of the Conference some measure of local-government reform is desirable.

Mr. W. MACALISTER (Southland Education Board) had pleasure in seconding the motion. Most of the delegates had come to Wellington convinced that some measure of local-government reform was necessary, and after hearing the interesting address of the Minister he felt sure they were more convinced than ever that something ought to be done.

Mr. G. J. GARLAND (Auckland) asked what the proceedings would be if the motion were carried. If one were going to have no chance of saying anything afterwards, he had better say it now.

The PRESIDENT: You need not fear that. I have been too long connected with public life to expect seventy gentlemen to come here and not have a chance to talk.

Motion agreed to.

THANKS TO PRESIDENT FOR ADDRESS.

Mr. C. J. PARR (Mayor of Auckland) thought the Conference should place on their minutes an expression of thanks to the Minister for his address, which had opened up a number of important matters. They might agree or disagree with him in the conclusions he had arrived at, but no one could deny the care and thought he had given to the question. As a mere act of courtesy the Conference should accord the Hon. Mr. Russell their hearty thanks. He moved, That the Conference thank the Hon. Mr. Russell for his address.

Motion agreed to.

The PRESIDENT desired most sincerely to thank the Conference for their recognition of the small part he had taken. He had tackled some fairly large jobs in his time, but he thought this was the toughest he had ever had to deal with. When he read the proceedings at the different local conferences that had been held—and he had read every one, and kept himself in touch with everything that had been said about the Bill—he concluded that he was in for a very hot time, and he was not sure yet that he was not. But there was an old saying that Providence tempered the wind to the shorn lamb, and they would, he was sure, work together and do their best to improve the proposals of the Bill, or at any rate, give the Government a clear indication of what experienced men engaged in the work of local government thought the best course to be taken. That was the desire of the Government. They wished the representatives of local bodies to help them. The Government realized the difficulty of the problem. It was a problem which even an able man like Mr. Seddon started to deal with and had to lay down. The Bill before the Conference was Sir Joseph Ward's, and, coming after these distinguished and able men, he (Hon. Mr. Russell) felt some trepidation in undertaking the task of trying to pilot a scheme of local-government reform through a body of that kind, which probably possessed more brains and experience in connection with local government than any Conference that had assembled before. He was proud to have the honour of presiding over the Conference, and it was his desire that their proceedings should lead to definite results and definite good. He thought they ought to have that day, on a motion that the Bill be considered or some general proposal of that kind, an all-round discussion with regard to local government. A question that should be put before the Conference in the first place was this: there were nearly seventy delegates, all of whom would have an equal right to discuss every question that might be raised; was it desirable that there should be a time-limit placed on speeches, and, if so, to what extent? If each delegate spoke on a question for only five minutes, there would be 350 minutes' discussion, without counting anything he (Hon. Mr. Russell) might want to say. He would suggest a time-limit of five minutes.

TIME-LIMIT FOR SPEECHES.

Mr. H. J. SLADE (Hobson County Council) moved, That there be a time-limit of five minutes for speeches.

Mr. R. MOORE (North Canterbury; Deputy Chairman of the Lyttelton Harbour Board) thought ten minutes little enough for the proper discussion of such an important matter. If they were only to have five minutes in which to discuss a Bill of that importance they might as well go home.

Dr. J. C. COLLINS (Cook Hospital Board) said it was not a question of discussing the entire Bill in five minutes or ten minutes. There were many points in connection with the Bill, each of which they would have to consider carefully. If seventy delegates were going to speak on one point, surely five minutes was quite sufficient.

Mr. R. MOORE said he would agree to ten minutes on the general principles of the Bill and five minutes on the details.

Mr. G. J. GARLAND thought five minutes quite sufficient.

The PRESIDENT thought they might arrange it in this way: fix a limit of five minutes, and if any gentleman at the expiration of his time was developing a line of argument which the Conference desired to hear continued, his time might be extended.

This was agreed to.

ORDER OF BUSINESS.

The PRESIDENT thought it would be well if they elected an Executive for the Conference, consisting of, say, seven members, in order that they, with himself, might consider the order of business, and endeavour to simplify the procedure. If they all sat there for two or three days and did nothing but talk, they would probably be no nearer their goal than they were at present. He would suggest that the Conference talk to-day right up till 10 or 11 o'clock at night.—(No, no.)—Well, whenever they finished the talk the Conference could divide itself up into, say, eight different Committees, every delegate being placed on one or more of these Committees. He would suggest that the Committees should be as follows—and he would like the assistance of an Executive to further consider this matter; (1) Local Government Board Committee; (2) a Committee to consider the abolition of Road and Town Boards and the Local Committee proposal; (3) a Committee regarding subsidies and grants; (4) a Committee with regard to Provincial Councils—as to their desirability, functions, &c.; (5) a Committee with regard to the functions and powers of the County Councils; (6) a Committee regarding the relation of the local governing bodies to Parliament and the Government; (7) a Municipal Committee, with special relation to the inclusion of contiguous districts and town-planning; (8) a Committee regarding the rating-powers and the exercise of the rating-powers of local bodies. If Committees were set up on these lines they would, he thought, enable the Conference to concentrate its efforts on broad phases of the question. These Committees would virtually cover the entire Bill. The Conference could cease altogether its session to-morrow, in order to give the Committees the fullest opportunity of dealing with their particular subjects. Then on Thursday the full Conference could again meet for the purpose of receiving and considering the reports of the Committees. Each Committee should also be empowered to make general recommendations, regarding local government, outside the scope of its own work. That was his idea of how they could best proceed to reduce their work to a minimum, and get satisfactory results.

A DELEGATE: How do you propose to elect a Committee?

The PRESIDENT said most of the gentlemen there had something more than a local reputation, and were known, and it was possible to select them for the Committees in that way. If there were any difficulty they might select members of the Committee from provincial districts, allowing a delegate from each district on each Committee. For example, it would be desirable that Mayors of cities should be on the Municipal Committee. Those gentlemen who had taken an active part in county matters should be on the Counties Committee; and they should endeavour to get men of the widest experience in public affairs to deal with large questions such as the Provincial Councils.

Mr. W. S. MASLIN (South Canterbury Hospital and Charitable Aid Board) did not think the Minister's proposal would facilitate the business, because after a Committee had come to a decision the whole matter would have to be reopened and discussed by the Conference. He would move, as soon as he got an opportunity, that the whole of Part X of the Bill be deleted. Then, if education were eliminated from the Bill, there was no good in having a Committee to discuss it. A great deal could be pulled out of the Bill before they started to build up.

A DELEGATE took it that this could very well be done during the rest of the day. What the Minister suggested for the present was that he should get the opinion of the gentlemen who had been summoned upon matters which they themselves were most conversant with, and this could be done by setting up Committees. He supported the proposal. He understood that the Minister merely wished to get an idea as to the setting-up of the Committees, and then proceed to the discussion and deal with the questions raised by Mr. Maslin. By that time they might have narrowed the Bill down to a few general principles, and the detail work could be left to the Committees.

Mr. E. N. LIFFITON (ex-Mayor of Wanganui) thought a Committee should be set up to report as to what amendments were required in the various statutes under which local bodies were at present working. He took it that if that were done it would narrow down their work considerably. He moved accordingly.

The PRESIDENT said, with regard to the proposal that had been made by the delegate who had just sat down, he would point out that if this Conference reviewed the whole of the legislation in relation to local bodies at present on the statute-book of the Dominion, it would lead to disappointment, and there would be no result at all. That was not the object of the Conference, because such investigations had already been made, and they had the information. There were

the Counties Conferences held regularly for the purpose of considering amendments to the Counties Act; then they had the Municipal Conference, which met to discuss amendments in the Municipal Corporations Act. As a matter of fact, he had in his possession the reports of the last Conferences of both the Municipal Councils and the County Councils. In these circumstances he thought it would be quite a waste of time to consider details in respect to local government. What they wanted to do was to consider structure, and see where reform could be made in general principles.

Mr. JOSEPH CORKHILL (Mayor of Wairoa) said he noticed it was not proposed to set up a Committee to bring down recommendations in connection with Harbour Board and harbour legislation. He thought a Committee ought to be set up to deal specially with that part of local government.

The PRESIDENT explained that his idea was to get the Conference to appoint an executive of seven gentlemen, who would arrange the Committees, and bring their recommendations down for the approval or otherwise of the Conference. If that were done there would be a saving of time.

Mr. G. J. GARLAND (Auckland) moved, That a Committee, or Executive, of six be appointed, with the Chairman, for the purpose of selecting the Committees.

Dr. J. C. COLLINS (Cook Hospital Board) said he had pleasure in seconding the motion.

Motion agreed to.

The names of the following eleven delegates were duly proposed for the Executive: A. E. Jull (Hawke's Bay), C. J. Parr (Auckland), J. G. Wilson (Palmerston North), W. Macalister (Southland, Wallace, and Fiord), J. H. Walker (Dunedin), D. McLaren (Wellington), C. J. Harley (Nelson), W. S. Maslin (South Canterbury), J. Bruce (North Canterbury), D. Stewart (Otago), J. Wilson (Otago).

Mr. WILLIAM RITCHIE (Chairman of the Waitotara County Council) moved, That the first six names be the Executive.

Mr. G. J. GARLAND (Auckland) suggested that the Mayors of the four leading cities be on the Executive.

Mr. R. MOORE (Deputy Chairman of the Lyttelton Harbour Board) thought it would be a mistake to have the four cities on the Executive.

The PRESIDENT said it was a matter on which they need not waste much time, because if they took the whole of the eleven gentlemen who had been nominated they would be found to be thoroughly representative of the Conference. He would ask the meeting to elect the eleven gentlemen who had been proposed, whom he felt certain were thoroughly representative of the whole of the Conference.

Agreed to.

Mr. H. SCHOFIELD (Chairman of the Hospital Board, Auckland) asked if the Conference would elect the Committees, or would they be elected by the Executive? Now that the Executive had been set up, would the Conference proceed upon a general discussion on the Bill and on the Minister's speech? He desired to know something of the *personnel* of the Committees.

The PRESIDENT replied that all that the Executive would do would be to suggest names, and it would rest with the Conference as to the election of the Committees. That, of course, went without saying. He moved, That the Conference now adjourn till 2 o'clock; that would give members an opportunity of perusing the tables attached to the speech he had read, and it would further give the Executive an opportunity for the half-hour before lunch to go into the business of setting up, or, rather, suggesting Committees for the special consideration of the different phases of the Bill. At 2 o'clock the Conference would be able to go right on with the general discussion upon his speech, upon the Bill, and local government generally.

Motion agreed to, and Conference accordingly adjourned till 2 o'clock.

LOCAL GOVERNMENT BILL.

The PRESIDENT, before resuming, said that in case it might be required he had had a telephone installed in the building for the use of members. Another matter to which he desired to refer was that Cabinet invited the Conference to luncheon at Bellamy's on Wednesday at 1 o'clock. Before luncheon the Conference would be photographed. The General Assembly Library was at the disposal of the Conference during their stay in Wellington, and he had given instructions that the library should be kept open for the convenience of members till 8 o'clock each evening. This would enable them to inspect the library during lunch-hour, and obtain from time to time any information required. The intention of the Government was that the Conference should have the fullest use of the library. And, further, any special information found necessary would be obtainable from the Departments, and he would be pleased to give consideration to a request for any return asked for by members. The Librarian, so far as the library was concerned, would be glad to place any special books asked for in the hands of members for the purpose of the business of the Conference. Unfortunately Mr. Vernon Reed, M.P., who was to represent the Bay of Islands at the Conference, was unable to attend, owing to the death of his father-in-law, Mr. T. C. Williams, and the Chairman of the Mangonui County Council (Mr. Wrathall) could take his place if it was the wish of the delegates present. He might explain that there had been some dissatisfaction with the manner in which the Conference had been convened—that was, the various districts had protested against the selection method. He was, however, satisfied from the Conference that was there to-day that the very best possible scheme to get an all-round selection of representative men from public bodies in New Zealand had been adopted, and the result proved that. In the regrettable absence of Mr. Reed, was it the wish of the Conference that the Chairman of the Mangonui County Council, although he came without any mandate from the district, should be allowed to take his seat?

Mr. J. T. QUIN moved, That the gentleman in question be allowed to take his seat as representative of the Bay of Islands.

Motion agreed to, and Mr. R. T. Wrathall took his seat.

Dr. J. C. COLLINS (Cook Hospital Board) stated that he was asked to apologize for the absence of Mr. K. S. Williams, Chairman of the Waipu County Council, as, owing to the death of a relative in Auckland, Mr. Williams was obliged to go up there, but he hoped to be back here on Thursday morning.

The PRESIDENT said that he would ask the Secretary of Internal Affairs to read the resolutions adopted by the Conference of Education Boards, which sat yesterday, and which had been forwarded to him by the Chairman, Mr. M. Dalziel.

The resolutions were read by Mr. Hislop as follows:—

“Local Government Bill.”

“Resolutions adopted at the Conference of Education Boards, held in the Wellington Education Board’s Office on Monday, 20th May, 1912.

“1. That this Conference of the Education Boards of the Dominion, while refraining from any expression of opinion upon the general provisions of the Local Government Bill, respectfully urges that the inclusion of education within the scope of the measure is fraught with serious danger to, and is inimical to the best interests of, our State system of education.

“2. That the administration of education is so widely divergent in character from all the other subjects embraced in the Bill, and is of itself of such importance, as to call for separate administration by Boards especially chosen for the important work.

“3. That the transfer of the administration of education from Boards closely in touch with parents, and specially elected for the important work, to Councils charged with a variety of other and widely divergent functions would lead to diminished efficiency without securing any economy of cost.

“4. That the increase in the number of bodies charged with the administration of education will lead to increased cost without securing greater efficiency; and that the proposal to cast a part of the cost of primary education upon local rates is destructive of the national character of our education system, and entails new burdens upon the taxpayer without providing any compensatory advantage, while exposing schools to the danger of being starved.”

The PRESIDENT intimated that the Under-Secretary for Internal Affairs had received the following letter from Mr. J. R. Palmér, Town Clerk, Wellington, which he would read for the information of delegates:—

“SIR,—

“Town Clerk’s Office, Town Hall, Wellington, 21st May, 1912.

“By direction of the Wellington City Council I have the honour to inform you that at their last meeting they adopted the following resolution with reference to the proposed Local Government Bill, viz.: ‘That they have given consideration of the main provisions of the Local Government Bill, and they are unable to approve of the Bill in its present form, as it would destroy the independence of the city, and leave its finances and affairs at the mercy of a constituency with which it has no community of interest. They are also of opinion that the Bill would entail upon the city a large increase in its contribution to hospital and charitable aid, and a new charge in respect of education. They cannot see any benefit that will accrue to the city from the Bill in any way comparable to the grave risks involved.’

“I have the honour to ask that you will be good enough to bring the above resolution under the notice of the Hon. the Minister of Internal Affairs, and also before the Conference convened to discuss the Bill.

“I have, &c.,

“J. R. PALMER, Town Clerk.

“The Under-Secretary of Internal Affairs, City.”

The Conference then adjourned till 2 p.m.

On resuming,—

The PRESIDENT intimated that the Executive appointed by the Conference had already held a meeting at the close of the morning session, when it was resolved to recommend that the Conference now proceed with a general discussion upon the Local Government Bill. He therefore formally moved accordingly.

Mr. W. S. MASLIN (South Canterbury Hospital and Charitable Aid Board) asked the President if he intended to prevent any motion being moved, or could a motion be moved dealing with any portion of the Bill, or were they to keep entirely to a discussion on the general principles of the Bill in a broad and definite sense?

The PRESIDENT replied that in the meantime he thought he would be consulting the convenience of the Conference if, instead of having a discussion confined to any particular part of the Bill, they discussed the Bill as a whole. He ruled that the discussion now should include the Bill generally.

Mr. MASLIN said he desired to move, That Part X be deleted from the Bill, because if it were deleted it would save the setting-up of a Committee. Was it open for him to move the deletion of the part in question?

The PRESIDENT replied that he had given his ruling—namely, that the discussion would take place on the entire and not on any particular phase of the Bill at all. Particular portions of the Bill would come up for discussion later on.

Mr. R. EVANS (Chairman of the Waipara and Eyre County Councils) asked the President to explain what he meant by his statement in reference to the cost of administration.

The PRESIDENT replied that what was included in the cost of administration was clerical expenses, advertising, the salary of the clerk, and where there was a Road Engineer, the probability was that his salary was also included.

Mr. F. HORRELL (Chairman of the Hospital Board and Rangiora County Council) thought it would be wise on the part of the President to accept the hint given by Mr. Maslin by taking a motion on the deletion of Education Boards from the Bill. It was generally admitted that they should be deleted, and what was the use of referring to them when criticizing the general principles of the Bill? So long as Education Boards were retained in the Bill they would be referred to. If the delegates removed them from the scope of the Bill, then some other delegate could move a motion for the deletion of something else, and they would thereby reduce the size of the Bill.

Mr. JOHN STUDHOLME (Ashburton County Council) trusted that the President would not agree with the suggestion just made. They wanted to consider the Bill on its broad principles first. If the delegates proceeded clause by clause they would be left quite in the dark. The removal or deletion of clauses or parts was for the Committee to deal with, and that would be later. There were certain principles in connection with the Bill which, if deleted, would kill the Bill entirely. They should, in the first place, discuss the Bill as a whole.

Mr. G. J. GARLAND (Auckland) said he was sorry that the President had ruled in the way he had, because if Part X was deleted the Committee that would be appointed to report thereon could devote their energies to more useful work on other Committees. He would be delighted if the Conference removed Part X before it went to Committee. He believed the Conference would delete that part referring to primary education, because that was what it referred to, inasmuch as it did not materially affect secondary education.

Mr. E. N. LIFFITON suggested that the ruling the President in a matter such as that was not as rigid as the laws of the Medes and Persians. It should be remembered that the Prime Minister himself had told them that in his opinion the control of Education should not be included in the Bill. Whilst the subject was in the Bill members could not refrain from discussing it.

The PRESIDENT replied that he had not ruled anything in respect to Part X. It was settled by the Executive this morning that the discussion should range over the entire Bill as it stood. The question of education was a very important one. It might be, indeed, that some gentlemen thought that some responsibility should be placed upon local bodies, not for primary education, but for manual and technical instruction, and for the large buildings for those special purposes that were asked for. He was not, however, saying that that should be done. They should discuss the Bill, and have a fair and full discussion with regard to its various aspects. The discussion this afternoon should be an all-round discussion upon the Bill, and no portion should be eliminated until after the Bill had been discussed by the Conference.

Mr. MOORE (Deputy Chairman of the Lyttelton Harbour Board) thought it would be very much better eliminate Part X from the Bill, particularly after the statement they had had that morning from the Prime Minister, whatever was done by the Conference Part X would be struck out of the Bill at a future time. His opinion was that the members of the Conference would be found unanimously in favour of striking it out. To this statement there appeared to be some dissent, but he believed his opinion would be found to be practically correct. He did not know whether the Conference was prepared to accept everything the Executive might submit to them, but did not think that at all probable.

Mr. A. E. JULL (Chairman of the Counties Association) said it appeared to him from the tone of the speakers that there was every likelihood of education not being finally included in the Bill. That, too, was apparent from the intimation made by the Prime Minister; but if they cut out education they had intimation that other sections of the Bill might be cut out, and they would not be able to get a general discussion at all, but merely a sectional discussion. For the benefit of the Committees which would be set up to consider the whole question, in his opinion it was desirable that they should have a discussion upon the whole Bill, and upon every part of it. Then, if gentlemen were so confident that education would not be included in the Bill, they need not take up time in discussing that feature of it.

Mr. VENN thought they should accept the ruling that had been given, and moved, That they go on with the business in the manner indicated from the Chair.

The PRESIDENT remarked that a ruling had been given. He had not restrained discussion, but it was usual that a ruling should be accepted without discussion. He hoped they would now proceed to discuss the Bill as a whole. A suitable opportunity would afterwards be given to move for the exclusion of any part of the Bill, but the time for that had not yet come.

Mr. R. LEE (Chairman of the Wellington Education Board), as one representing very important interests set forth in the Bill, wished to say at once that the Bill had in it a good deal which deserved the full consideration of the Conference. It was without question that there was plenty of scope in the Dominion for the improvement of administration among local bodies, and even regarding education the cost of the official part of the administration of the system was, say, 4 per cent. in the larger centres and quite double that percentage in the smaller ones. Again, he was strengthened in anything he had to say by the fact that the Education Boards had been fully represented at a Conference held on the previous day, and the motions then passed unanimously by the representatives of the Education Boards of the Dominion had already been read to the Conference. It was abundantly clear from the resolutions referred to that there was only one mind regarding education as dealt with in the Bill under consideration, and that was that the Bill did not in any way satisfy any of the demands for improvement in administration. With regard to hospitals, he might say that he had been on a Hospital Board for two or three years, and was familiar with their management. The representatives of the Hospital Boards had passed a resolution very much on the lines of that passed by the gentlemen representing the Education Boards, saying, in effect, that it was necessary this work should be specialized, and that men who had had training in the administration of hospitals would give better service to the Dominion than could be rendered by a mixed body, such as was proposed by the Bill. Regarding the third matter, the inclusion of the City of Wellington in the provincial administration, the members of the Wellington City Corporation were firm in the opinion that nothing in the way of benefit to the city would result from its

being included in the provincial system. All the same, he was prepared, as representing this section of the Dominion, to go fully into the Bill by-and-by, and to discuss whether it was practicable in any way to merge certain Boards into larger bodies, or to make suggestions for the betterment of the administration even of education. However, after the declaration by the Minister of Education upon the subject of education, he doubted very much whether it was worth their while as a Conference to go very fully into the details affecting that subject. With regard to one of the big questions which would arise, and which he left very much to the men who knew more about it than he did, he thought it would be found that a good deal of saving in expenditure could be brought about by merging many of the smaller Boards into the adjacent larger bodies. He had had many years in which to think over these matters, and this was especially the case with education, which he had been connected with for forty years; so that he was quite familiar even with the old provincial system of management. For some dozen years he had worked under the old provincial system, and had been consulted, as an expert, by the Hon. Mr. Rolleston when that gentleman drew up the first Education Bill. As he had been from first to last under the Board system, he might say he should be very sorry to see any sudden movement made to throw aside a working system which had through a number of years, bit by bit, developed into a system which was recognized not only in this country, but outside of it, as at any rate quite up to date; and therefore he would advise his younger friends to think twice before they hurried on to rapid changes. All good government was brought about cautiously and slowly. This Bill was very hurried; it would make very drastic changes in several directions, and it would make them at once.

Mr. LIFFITON (ex-Mayor of Wanganui) asked if the Bill provided for the same mode of election as the old Act.

The PRESIDENT said no. Under the existing Act, of course, the School Committees elected the Boards of Education, but under this Bill, if it were passed, so far as the education question was concerned, that would be one portion of the work of the Provincial Government, which would be elected to take over several functions, of which education would be one.

Mr. PARR (Mayor of Auckland) would like to say a few words from the point of view a large city took of this Bill. He spoke for the City of Auckland more particularly, but would fain believe that the views he should attempt to give utterance to would also be the views of the large municipalities of this country. So far as Auckland was concerned, there was no demand whatever for the Bill. The cities strongly objected to the idea of being incorporated in a huge county or province, extending fifty, sixty, or it might be a hundred miles from the city or municipality. They strongly objected to the idea of having a provincial rate levied upon them which might be spent fifty, sixty, or a hundred miles away from them, and they strongly objected to the idea of provincial liabilities being cast upon the cities. It might be said that it was the duty of the cities to help the up-country districts with their roads, but it should be recollected that the cities of the Dominion had yet to make their own streets. It was not as though the cities were not already heavily rated. He did not think the ratepayers were likely to stand much more in the way of rates; and when they remembered the work to be done within their own boundaries in the direction of making the cities respectable it would be seen that it was not fair to ask them to find money for districts fifty or a hundred miles away. The creation of any body having jurisdiction over the cities with big rating and taxing powers must be viewed with suspicion, and, indeed, with positive disfavour, by the cities. It seemed to him the weakness of the Bill consisted in the fact that there was an endeavour in one measure, and by a like method of treatment, to deal with two essentially different problems—the problem of the city and the problem of the country; and he would venture to say that the medicine that was good for one would not be good for the other, and *vice versa*. The mistake was that they were proposing to give to two different patients the same medicine, though the patients were suffering from entirely different complaints. The difficulty in the country was the overlapping of various authorities. As the President had forcibly pointed out, in the country districts they had Road Boards, River Boards, County Councils, and Drainage Boards operating different functions over the same ground. That was the problem for the country districts. The problem for the cities was essentially different. The problem for the large cities was that the cities were surrounded by numbers of small boroughs, and what was wanted was greater cities, formed by the unification of the boroughs—a greater Christchurch, a greater Dunedin, a greater Wellington, and a greater Auckland. This was the objective of municipal statesmanship, and this the Bill was not going to help. They were moving now along very satisfactorily under the Municipal Corporations Act, which gave diverse powers. It gave practically all the powers they wanted, and if they wanted more they could express their wish through the triennial Conference. They were, he believed, satisfied with the powers already given them by legislation for the unification of the boroughs. This unification had been largely brought about in Christchurch and Dunedin, and in Auckland they were beginning to use these powers, and no further legislation was needed to bring about the unification of local authority, which was the real objective of municipal politics throughout the Dominion. The creation of any other body in the cities would not help the municipalities to amalgamate, but would create another body, and destroy that community of interest they desired to promote. It seemed to him that, so far as the cities and the large Harbour Boards were concerned, it would be a public misfortune to have them incorporated by a measure of this kind. Take the Harbour Boards, for instance. In Auckland the Harbour Board was spending two millions of money upon an elaborate harbour scheme, and they had the Harbour Board elected upon a democratic franchise. He took it they did not intend to interfere with that, but it was well this view of the matter should be made public. It would be a misfortune for such bodies to be brought under the Bill, and he hoped that the larger cities and boroughs would be excluded from its operation. He was sure he was only expressing the feeling in the large cities when he said that the people viewed this Bill with disfavour.

Mr. G. J. GARLAND (Auckland) was of opinion that the Bill traversed unnecessary ground. He had listened with much interest to the remarks of the President, and was pleased to notice

indications that the first part of the Bill was not altogether in accord with the Minister's own opinions. He took it there was necessity for control over the affairs and destinies of certain local bodies, but perhaps not in the direction indicated in the Bill. Provincial Councils, he thought, would be bodies which would not do the work it was intended by the Bill they should do. They had in the clauses of this Bill the creation of a new County Council, and an extension of the boundaries and powers of the County Councils would, in his humble judgment, serve the purpose. The Bill sought to establish a body which would absorb the smaller County Councils, which was just what his friend Mr. Parr proposed regarding the cities. The cities existed, and in due course would absorb the boroughs around them; and so the larger counties would absorb the smaller counties and local bodies. If that were done they would then want an extension of powers. He did not think that Provincial Councils were required, but an extension of the present County Councils was wanted. This the country would demand, and if it were given, a proper life should be granted. The Council should have a life of three years, and the election of its members should be on similar lines to the elections of Education Boards, as provided for by the Right Hon. Mr. Seddon. There should be a three-years tenure. There should be twenty-one members in a County Council, seven retiring every year; and this body should be given authority over bridges, roads, powers of extension and absorption, and the carrying-out of drainage-works, river-works, and things of that sort. If seven of the members were retired every year, then new men, or the same men, would be chosen; but in any event they would have a continuity of policy, which would carry out the works that had been started. At the present time they had to disband the whole of the county members every second year, and the same thing happened also in the boroughs. This gave a great deal of dissatisfaction to the people who had to return the members to these bodies. He was speaking from experience, since he had occupied a seat on the Education Board, and he thought on every kind of local body in New Zealand excepting a Harbour Board, and he said advisedly that there should be continuity of policy on local bodies, and this at present they had not got. He had no intention whatever of dealing with party politics, but there was an absence of assured finance. The need for an assured finance had been mentioned by the President, but he had not indicated how their finances were to be assured. Looking at the members of the Conference, he could not help saying that the land-tax and income-tax should be set apart, and should be the source from which subsidies should be provided. The idea of subsidizing the local bodies according to their necessities was the right basis, and the people who paid the land and income taxes were the people who should get the benefit of them. Those taxes ought not to go towards bloating the surplus, but should be expended under the direction of the local bodies. That, he thought, would be the demand of the local bodies and of the people of the country districts. Of course, it was for the Government to say whether a portion of the revenue should be diverted for a particular expenditure, or whether they would take from the consolidated revenue such a sum as they thought fit; but something of the kind ought to be done, and he threw out the suggestion that by this means they could give the local bodies an assured finance.

Mr. H. R. FRENCH (Clerk of the Warkworth Town Board) said the question was whether a change of local government was desirable or necessary, and he spoke from a country point of view. The need for something to be done would be manifest when he said that, so far as their own county was concerned, they had two hundred miles of main road to keep up, and their general-rate revenue per chain per year was 2s. 6d. Through their county there passed the Great North Road, and for thirty-five miles that road was in a very bad state right down close to the City of Auckland. It must be manifest from this that some change was necessary. They might say, let the people right this; but they had districts in the county where the rating for road purposes was as high as 3s. 4d. in the pound, and even then these people had not a fully metalled road. Then, coming to what was to make things better, neither their Council nor the Councils in the north seemed to favour the setting-up of a Provincial Council. It seemed to them that by that means they would be linked to the City of Auckland, and would have no representation at all, or may be about half a member; but there would be this advantage: that if they were connected with the City of Auckland, for very shame the City of Auckland would put in order one of the approaches to its own front door. The improvement, he thought, might come in another way altogether—namely, in the way the Minister had indicated. The idea of subsidies did not go far enough in the Bill. What the Minister had indicated was adopted in the shire system, and was much the same as had been recommended by Mr. Balfour when Chairman of a Royal Commission twelve or fourteen years ago—namely, that the districts should be graded, and should receive from the Central Government grants according to their needs. So far as existing local bodies were concerned, a good deal had been said as to the cost of administration, but it should be remembered that in England a Parish Council would deal with a locality where there were three hundred souls, but here the conditions were entirely different. So far as their own county was concerned, they had a coast-line on either side and a railway running through the middle, with little centres of population in various places, and it would not be right that they should receive the rates from one and divert it to another place; the money ought to be spent for the benefit of those who gave it; so that it came to this: that there must be representation for each little centre or interest. So far as the cost of administration was concerned, he thought some explanation would be forthcoming as to why the cost of administration exceeded the amount of rates collected. He knew, for instance, that in one year they had been charged with legal expenses extending over twenty-one years. In that year the apparent cost of administration had been very great indeed, and he could not help thinking that if the cases that had been mentioned were analysed it would be found that some explanation was forthcoming. So far as the Provincial Councils were concerned, it seemed that they were to be glorified County Councils, and the County Councils glorified Road Boards; and they would not be so closely in touch with the people who paid the money. He believed that at present administration charges were more keenly looked after in local govern-

ment than even in the Government departments themselves. So far as overlapping was concerned, in England he thought there was really more overlapping than in New Zealand. It did seem incongruous that in one small district there should be two small bodies rating for the upkeep of roads; but once they had stated this they had stated the full extent of the case, because the Road Boards dealt with the by-roads and the County Councils with the main roads, and the same rate-payers were dealing with each; so there was no friction, and the overlapping was very slight. But if they had a Provincial Council which was not representative of the local centres, they would have friction, he believed. For this reason he did not think the suggested Provincial Councils would help in the matter at all.

Mr. JULL desired in a brief way to discuss the main features of the Bill. The Counties Conference at its last meeting had arrived unanimously at a decision as to what should be the main principle of local-government reform, and that was that dual control should be abolished. Under the Bill before this Conference the system of dual control would be reimposed. He had gone through the Bill carefully, and it appeared to him that they would be taking a retrograde step if they, as suggested, set up a superimposed body like the Provincial Council, overriding a large number of the bodies now in existence. When the Counties Act was passed in 1876 there were sixty-three counties created under that Act. In six of these the Counties Act was not in force, and in a number of others it was suspended, so that as a matter of fact there were about fifty counties in which the Counties Act was in actual operation. But simultaneously with the creation of these counties they had innumerable Road Boards, which were doing the work, largely, of the rural districts. The Road Boards undoubtedly had done excellent work in the past, and in some districts were doing very excellent work to-day. He was not decrying the principle of having Road Boards as Road Boards, but he said—and it had become almost an axiom among local-body administrators—that the system of dual control should cease. It was surely only a question of name in some cases as to whether they called the body a Road Board or a County Council. It was desirable to reduce the number of bodies operating over one area. In 1886, when the Counties Act was consolidated, there was a somewhat greater number of counties created, and to-day they had about 124 counties; but throughout New Zealand to-day, instead of the Road Board system being operative in every county, there were only some twenty-four counties in which the Road Boards were in existence, so that only one-fifth of the area under the control of rural bodies was operated by Road Boards and counties simultaneously. Under the Bill they would be reverting to the old system of Provincial Councils, which would take the place of the old counties, and would have charge of the main roads, and exercise other functions as well. The counties would be relegated to the position occupied by the Road Boards in the old days, having charge of the district roads, and they would also be the collecting body for the Provincial Councils for the whole of its varied functions. He thought this was not desirable. He desired to point out the position with respect to the subsidies. The subsidy payable to the Provincial Councils under the Bill would be 15s. in the pound of general rates. Well, the general rate of the Provincial Council, if the Bill were passed, would cover education, hospital and charitable aid, the main roads, and any expenditure that the Provincial Council might incur or be pleased to vote for harbour expenditure, if they were the administrators under the schedule. He took it that the Government would very soon wake up to the fact that they had not any intention of giving 15s. in the pound in respect of any harbour expenditure. No doubt, therefore, that would be deleted. At any rate, that was one of the classes of expenditure that the Provincial Council could engage in—namely, on harbour-work.

The PRESIDENT said the Bill presumed that the larger harbours were going to be excluded from its operation. The subsidy referred to, then, could only be one that might be given for developing the smaller harbours that it was desirable to open up along the coast-line.

Mr. JULL said that all he could say in reply to that was that there would be an extraordinary demand for the development of small harbours for the purpose of securing the Government subsidy.

The PRESIDENT.—A very good thing!

Mr. JULL said possibly it would be a very good thing; at any rate, he thought that would be the effect. The question of main roads would then come in, and it would be a vital question. Who, under the Bill, was to determine which was to be a main road? It was to be decided under clause 176: "On the recommendation of the Local Government Board the Governor may by Order in Council declare that any road shall be a provincial road, and it shall become a provincial road accordingly. (2.) Any such Order in Council may in like manner and on the like recommendation be revoked or varied." So they would have no finality. To begin with, they would have to fight over some of the main roads for the purpose of securing their administration by the Provincial Council, and when they had secured them and thought they were going along swimmingly, the Governor in Council might revoke the Order, and the Provincial Council would be back on the old half-crown subsidy instead of the 15s. one. There was too much uncertainty about it. No man, he thought, who had had experience of rural administration would say that it was desirable that they should have the high-toned engineer and staff of a Provincial Council travelling about a district through all the main roads and by-roads, the latter of which were carrying the bulk of the traffic, and would have to be administered by the County Council with another set of officers. He claimed they could achieve a large measure of improvement in local government by a different method. There were outstanding features, however, which they must face, the first of which was the question of franchise. His friend from Auckland City said the cities were working under an admirable Act—the Municipal Corporations Act—and were quite satisfied with it. Under this Act they had practically the parliamentary franchise. Well, under the present law the rural communities elected members for Hospital and Charitable Aid Boards and Harbour Boards. They elected them by grouping various bodies under different systems of franchise, and what was the effect? The effect was that a small town district in a

county, with the residential franchise which was in force to-day there, could dominate the election of a member of a Harbour Board or Hospital Board. The Bill provided that in the counties they should have a residential franchise and a property franchise. Well, unless the cities and boroughs were brought under the same franchise, it was not fair to apply it to counties. The franchise should be uniform. He hoped that some of the representatives of cities or boroughs would voice their opinion as to whether it was not desirable to—if he might use the word—improve the excellent Municipal Corporations Act by altering the franchise so as to give the owners of property a voice in addition to their residential vote. If they would agree to this the country representatives might go some part of the way to meet them on the franchise question. As to the abolition of Town Boards and Road Boards, the Counties Conference had recommended that the Road Boards should be abolished, and a suggestion had been made by the Counties Conference some four years ago as to how that should be brought about. To-day they could not abolish a Road Board without a petition, and it was a very difficult and cumbersome thing. It seemed to him it might be done by means of a poll. He was radical enough in this regard to desire the abolition of the Road Boards by a clause in the Act.

Mr. JOHN BAILEY (Chairman of the Waikato County Council) said that in the county he had the honour to belong to, and in the county which Mr. Fisher represented, they had Road Boards and the counties doing their work harmoniously and well. When these Road Boards were formed it was by petition, and the ratepayers in the districts concerned signed the petitions to a man. The Counties Conference had no right to seek to disfranchise these people. If the Government of New Zealand set out to abolish these small local bodies the small local bodies would abolish the Government. Some of the Road Boards that were too small might be grouped, but the Town Boards Act should be kept in force. This, he considered, was one of the finest Acts passed. Where the population grew in a small district it enabled the people to govern themselves; and this was what they all desired. He did not think the Provincial Councils would ever do. For example, they had had Mr. Garland get up to speak. That gentleman, no doubt, was sound on education; but when he turned to county matters he had not gone far before he tripped. The hospital and charitable aid districts, he (Mr. Bailey) thought, worked very well as at present. They were certainly big enough. When the Government decided to give the Waikato Hospital and Charitable Aid Board more territory they saddled them with Rotorua. Dr. Valentine came and told them what a splendid thing it would be if they had Rotorua, and got on the weak side of the Board, and they agreed. As soon as he had got them to agree to take Rotorua, he said the Government were going to build two hospitals there—one was to be an infectious-diseases hospital and the other a general one—and the Board would have to keep them up. That was not fair, because Rotorua was practically a Government town, and the rates that went to the Board from it were very small. He thought the Government should take back Rotorua, and try the Provincial Council there for five or six years.

Mr. E. N. LIFFITON (Wanganui) said he had been asked by the Rangitikei County Council to put their views before the Conference. The following was the communication they had sent him:—

“The following are the principal objections of this Council to the Bill: (1.) Centralization of control by Local Government Board under charge of a Minister of the Crown. (2.) Reversion to provincialism most objectionable, being both costly and cumbersome, and tending towards centralization. (3.) Dual control by Provincial and County Councils quite unnecessary, especially in respect of roads and bridges. (4.) While approving of merger of all road districts, strong objection is taken to the abolition of ridings and town districts, as the former give greater satisfaction to the ratepayers, while the latter have proved to be in the best interests of the people living in small towns, giving them control of their own affairs, and the power to undertake works outside the general functions of a County Council. (5.) The proposed franchise under the Bill is most objectionable, especially if ridings and town districts are abolished, as it would place the control of county affairs largely in the hands of those who contributed little or nothing towards the local rates. (6.) The proposed abolition of many of the local bodies and the placing of their various functions (education and river-protection, for example) under one body is inimical to good government; the present Boards, whose members give their services free, are better able to deal with these matters. (7.) The financial proposals under the Bill are most unsatisfactory, as it is sought to place greater burdens upon the local rates for general services which would be a charge upon the general revenue of the country. (8.) The delegation of power to Committees is not satisfactory. (9.) The proposed division of the Dominion into provinces is unsatisfactory; in some cases there is no community of interest whatever. (10.) The Bill, in the opinion of the Council, is altogether too revolutionary.”

He did not in every instance go so far as the Rangitikei County Council; nevertheless, they were an important county, and had a right to have their views put before the Conference. He desired to mention one point that occurred to him while the Hon. Mr. Russell was speaking. The Minister told them that the average cost of administration of the various local bodies was 9·70 per cent. Well, in the first place, these people were spending their own money, and had some right to say how much they should spend. But was it excessive when other bodies were considered? What was the cost of administration of the Government Life Insurance Department, for instance? More than 9·70 per cent.; it was 12·15 per cent. or 15·12 per cent., if his memory served him aright. Why, the cost of management of the Government itself, he would undertake to say, was more than 9·70 per cent.

Mr. R. MOORE said it was impossible adequately to discuss the principles of the Bill in five minutes. Those gentlemen who had spoken practically condemned the Bill. He was not going to do so right up to the hilt, but he had great difficulty in finding many good points in it. The principles which the Minister said underlay the Bill were admirable, if the Bill did give effect to them, namely: a reduction of the local bodies, the simplification of their work and economy in

administration, an extension of their powers and privileges, a sound system of finance, and the prevention of Parliament being made practically a milch-cow. But, to his mind, the underlying principle was in the direction of making the Minister of Internal Affairs practically a dictator, and imposing greater responsibilities and liabilities on the local bodies, and thus, of course, increasing the rates that the local people would have to pay. When he said the Bill went in the direction of making the Minister of Internal Affairs a dictator, he meant that very great powers were given to the Governor, which practically meant the Minister himself. Then there was the Local Government Board, which would be practically the Minister's own Board. The Minister was to be President of it; he would have three of his own officials on it, and he would have also the appointment of three other gentlemen to help him in the work of the Board. That meant placing the power in the hands of the Minister. Then they had the Inspector-General of Hospitals, a gentleman whose work they sometimes admired and sometimes dissented from. Very great powers indeed were placed in his hands. He was practically another dictator under the Minister. He (Mr. Moore) therefore said that the underlying principle of the Bill was really to place power in the hands of the Minister and take it out of the hands of the people.

The PRESIDENT.—Can you quote a case that proves that argument?

Mr. MOORE said the Bill set it out itself. The Minister had only to look at the clauses of his own Bill and he would see that that was the position it placed him in. The Local Board had the power of transferring what was practically Dominion works to the proposed Provincial Council, and, of course, that would be in the direction of relieving the consolidated revenue, or the Minister's Department, and placing the expense upon the shoulders of the Provincial Council. In other words, it would place the cost of Dominion works on the shoulders of the local people. There had, he admitted, been an indication from all parts of the Dominion that some different system of local government should be brought about, but this had not been so much in reference to the work of the local bodies themselves as in the direction of having an assured finance, so that the local bodies might know where they were so far as carrying out works was concerned, and not have to go repeatedly, cap in hand, to the Minister in whose Department the work lay and ask for some assistance. So far as he understood the local bodies, they wanted an assured finance, so that they should not have to beg for what they ought to have as a right; and if they could only get this matter settled satisfactorily, both to the Government and the different local bodies, the question of local government could practically be settled. Practically all the local work that required doing could be done under the Boards now in existence. He was not going to say that there had not been, to some extent at any rate, some overlapping, and there might be a few of the smaller Boards that could very well be abolished, and their work be taken over by the larger bodies—City Councils, boroughs, or County Councils; but there were not very many of them that could be done without. The Minister had referred to the very large percentage of the expenditure on administration of the different local bodies. He (Mr. Moore) was not going into the details, but would deal with one class of local body. The Minister had mentioned the Water-supply Boards, and said that their administration cost 23·48 per cent. of their revenue. He (Mr. Moore) knew of one Board—and a very important Board—that ran through two or three counties—the Ashley Water-supply Board—and he could tell them that the administration in connection with that Board only cost 7½ per cent. There was a large difference between that and what the Minister had placed before them. If the whole of the Minister's figures were on a par with the illustration he had given them, there was some mistake somewhere, and some one must have misled the Minister. He had merely taken one case that he knew of himself. It was not a very extravagant amount for the administration of a local body. It would be another matter, of course, if the Minister had taken into account the cost of certain works as well as expenditure; he was not criticizing in that direction. So far as some of the local bodies were concerned, they worked as economically, and perhaps somewhat more economically, than many of the departments of the Dominion. Something might be done, however, in the shape of doing away with some of the smaller local bodies. That brought him to one of the worst features of the Bill—namely, the attempt that was made therein to abolish the Dominion's grand national system of education. As a New-Zealander, he was entirely opposed to the placing of our system of education under any Provincial Council or any other Council or Board that had to do practically with roads and bridges and works of that description. He considered that the work of a Provincial Council and the work of an Education Board was altogether dissimilar, and he hoped that they, as a Conference, would set their faces against the proposal. He did not think for one moment that the proposal to abolish Education Boards, and otherwise interfere with the national system of education, was ever likely to be embodied in any Bill that might be submitted to the Legislature after what had been said by both the Prime Minister himself and the Minister of Internal Affairs that day. Any such attempt would meet with universal condemnation from the people of New Zealand. If there was one thing more than another the people of the Dominion were proud of, it was their educational system, which included primary, secondary, and university education; he hoped nothing would be done to tamper with it. If they were going to place upon the local bodies a portion of the cost of education, and if they were to have twenty-four Provincial Councils in place of thirteen Education Boards, as at present, with the Provincial Councils putting on provincial rates to meet part of the cost, they would have differential education throughout New Zealand, and they would thereby break up the present system, which would be, he considered, a calamity not only to the young people of the Dominion, but to the whole of the people. He hoped when the vote was taken in respect to education there would be no uncertain sound about the result. He noticed it was proposed in the Bill to set up twenty-four Provincial Councils, and make a reduction in the number of local bodies. But they had to take into consideration the fact that it was also stated in the Bill that the local governing body would have the privilege of setting up Committees consisting of not less than five gentlemen, who might not be members of the Provincial Council, who were to have practically the same power and control as the Provincial Council. So that if the local bodies were multiplied by a number of

Committees—Committees established to carry out the detail work—they would have multiplicity of local bodies, and he questioned very much if the scheme would lead to any reduction in that direction at all. If they were not going to do that, and expected the Provincial Councils to carry out the varied work of existing local authorities, then it was clear to him that if the Councillors did the work they would have to be paid. The Chairman would have to get £300 a year, and the Councillors £200 or £300 a year each, because they would have to give the whole of their time to the work. Further, members of the proposed Provincial Councils would not be able to make themselves so well acquainted with their duties throughout their districts as members of County Councils or other Boards do now under the existing system. Was it to be expected that the work of our Education Boards would be as well carried out? The answer was, it would not be. That work was now well done, and voluntarily—that was, without payment. Instead of the system being simplified, the number of local bodies would be increased, and the result would be increased cost to the ratepayers. He could see that in all probability the new scheme would relieve the consolidated revenue to some extent; in fact, that was one of the underlying principles of the Bill, and he took the opportunity of warning members of local bodies that that was the direction in which the Government, or, rather, the direction in which the new scheme, was going. They had an indication some two or three years ago that the Government wished to cast the cost of education upon local rates, which was condemned from one end of the Dominion to the other. The Bill under discussion was going surreptitiously in the same direction, and they wanted to be particularly careful as to how far they allowed that principle to proceed. Moreover, it was not only in the direction of education that the ratepayers would suffer, but the Bill proposed to throw the cost of certain Dominion works upon local rates, which works would be under the control of the Provincial Councils, and, as he had said, those Councils would be compelled to provide the ways and means out of rates. It should be clearly defined what were Dominion works and what were local works, so that there would be no overlapping. They should know exactly what they were to get from the Dominion Government out of the Consolidated Fund in the matter of subsidies for Local Boards, and thus throw the responsibility on the Boards to carry out their works, without having to go cap in hand to get supplies for the works they were to carry out. That would be a sound system, as they would know exactly where they were going, and they would have their works carried out very much better and without any log-rolling whatever.

The PRESIDENT said that at this juncture he desired to point out, in respect to the figures used by him this morning relating to Water-supply Boards, that he did not give the average for New Zealand, and Mr. Moore would recognize that. Further, the Minister did not prepare the figures for himself; they were prepared by the Statistician of the Department, and the Minister merely used them. Mr. Moore had used words to the effect that the Government desired, under the present Bill, to abolish the Dominion's existing system of education. He (Mr. Russell) was prepared to deal with the Bill in the spirit of fair-play, which he was sure animated every body of Britishers; but, in view of the statement made by the Prime Minister this morning on the subject of education, was it fair for Mr. Moore to say what he had said merely for the purpose of putting it on record throughout the country?

Delegates: No, no.

The PRESIDENT would further remark that, so far as the question of education was concerned, the Bill under consideration was not a Bill which emanated from the Government now in power, it having been passed down to them by their predecessors. The Bill, having been circulated, was placed before them as a basis of discussion. He did not think it was generous on the part of any delegate to endeavour to construe the subject of education in the way in which it was put to the Conference by Mr. Moore with the view of being circulated throughout the country. (Applause.)

Mr. J. G. WILSON (Chairman of the Manawatu County Council) did not propose to make any introductory remarks. Enough had been said to show that after all there was not so very much wrong with our local governments. Some slight alterations were required, although in some directions considerable amendments might be found necessary. There could be, for example, some simplifications in the matter of Drainage Boards and Road Boards being merged. He thought such simplifications as those would accomplish all that was necessary, or do so to a large extent. The time had not arrived really for any large scheme such as was suggested by the setting-up of Provincial Councils in New Zealand. The time for such Councils might arrive when all the roads were made and maintenance only was required, but in the meantime colonization was going on, and so the time had not yet come for the elaborate scheme set out in the Bill. He would point out that counties were frequently changed now, except as to franchise. Those he represented were against any alteration in the franchise, and any person could obtain the franchise by paying the rates of the house which he rented.

A delegate: He must have six months.

Mr. J. G. WILSON said that might be altered, and he would offer no objection to the alteration. That brought him to the Local Government Board. The Bill set out that the Board had the right to veto certain loans. He thought those who had experience in that matter knew that there were quite enough difficulties placed in the way of local authorities already in the matter of raising loans without increasing them. Then, as to hospitals: He would like to ask what advantage was gained by throwing the hospitals into a larger body? Was it for economy sake that they wanted to alter the system? If so, he did not think they would gain their point. Mr. President, in his excellent address, which was collated in a capital manner, pointed out that the expenditure was 4.91. The President would be disappointed if he expected to reduce that. As a matter of fact, he (the speaker) thought the new scheme would increase the cost. He would take their own district. He was there representing the local bodies, and he was proud of the hospital at Palmerston North; they did not wish to be joined up with Wellington, although

they had nothing to say against the Wellington Hospital. Some of the other local bodies were anxious to come into the Palmerston district, and perhaps if they did it might work, but so far as joining with Wellington and being governed from Wellington that would not do. It was true, as they were told, that the Committees would be elective, but he did not think that that would succeed. On the elective Committees referred to five members would represent the district, and they would be the local Committee, but the rates would be placed upon them from Wellington. They would have no power to collect rates, and were not in that way responsible. The result would be that the gentlemen who stood for those positions would probably be looking for something in the future and not for the present. That would militate against the success of that Committee. He was not aware that the Wellington people wanted them to come into their fold. For what reason, then, should the size of the district be increased? He was aware that Dr. Valintine believed that certain districts should be increased, and he (Dr. Valintine) had some experience. In this room there sat some time ago a city Conference, and a good answer was given to increasing the size of the districts, which created such an impression upon Dr. Valintine that he had since thought it wiser to leave that particular portion alone. It would be wise on the part of the Government to leave that particular portion of the Bill out altogether. Of course, there might be laxity in some places, and whenever large expenditure took place there would occasionally be laxity; but it seemed to him that generally throughout the Dominion hospitals were very well administered, and by men who were keen on the subject—by men who desired to do the best they could for the public; and it would therefore be unwise to alter the system. Then, again, although it was only a matter of detail, he would point out that those elective Committees would require two secretaries. Therefore, who were they going to dispense with, and what would be the saving? They would have everything exactly as at present. There would still be, as he had said, the two secretaries, who would have to collect all the statistics. There would be, perhaps, considerable friction between those two officials, which would not tend to benefit the hospital district. The present Hospital Boards were composed practically of experts, who knew the position and the necessities. As to Drainage Boards, he had to say that it was very important that men living in the immediate neighbourhood of drains should have control of them. Such men were at the call of any person who desired to have their drains cleaned and seen to. To put one man in charge, as was proposed, would cost money, and lead to dissatisfaction. River Boards were in the same position, and there was an excellent example in the Wairarapa Lake. There the outlet had to be kept open, and that could be better attended to locally than by a Board composed of members who might be at the other end of the district. In such cases why disturb existing management? He hoped the Road Boards would see that it was to their advantage to join the counties in many cases. Of course, in newly settled districts the Road Boards would prefer to have the money spent by their own members.

Mr. H. SCHOFIELD (Chairman of the Auckland Harbour Board) said he noticed in the remarks made by the President this morning that one of the salient points was to endeavour to amalgamate into one body such services as Education, Harbour, and Hospital and Charitable Aid Boards. It was evident from the discussion that Education Boards would have to be excluded; they should not be interfered with. He took it, too, that large Harbour Boards would be allowed to continue their work as at present. Those acquainted with Charitable Aid Boards in large centres would agree with him that such Boards had quite sufficient to do to manage their affairs without being mixed up with roads and bridges. Hospital and charitable-aid administration was very important and very difficult work; it required men of standing and men who had given special study to this particular question before they could deal with it satisfactorily. Would members of a Provincial Council take sufficient interest in the work? If they were not specially interested in hospital and charitable-aid administration the result would not be satisfactory. He thought there might be, and in fact there was, a desire on the part of those who were acquainted with local government to have some change in the administration of local affairs throughout the Dominion so far as grouping small centres together and simplifying the conditions at present existing, but he did think it was highly important that the Hospital and Charitable Aid Department should be left severely alone. They had quite sufficient to do to manage their present work. It would not be any improvement whatever, but rather a retrograde step, to hand over their duties to Provincial Councils. That was a point he wished to emphasize specially, because it was a matter of very vital importance to hospital and charitable-aid institutions. The Auckland Board was divided up into four separate committees, and those committees spent a considerable amount of time in the work of the Board, not less than half a day every week. The Chairman had to spend pretty well the whole of his time, and if they added other duties to the work which had already to be done, then he questioned whether it would be possible to get men to sacrifice so much time in the interest of the public unless they were paid.

Mr. H. EVERETT (Waimea County Council, Nelson) remarked that members of local bodies were expressing themselves so much regarding the conduct of their own affairs that he was beginning to question why they were called to Wellington at all. It looked to him as if each local body was endeavouring to make its own marble good. They were all more or less willing to admit the fact, and it was a fact that certain simplifications in local government were required, but as soon as they touched the hem of the garment of any particular local body there was to be no simplification, no coalescence of any kind whatever; it was quite willing that the others should be modified and restricted. They should bear in mind that the general public was not represented at the Conference, inasmuch as the meeting represented rather what he called the administrative part. There was no doubt that the general public did express itself very emphatically in the direction of wanting to escape some of the burdens that had been cast on it—viz., the great expense of government duplicated and triplicated over and over again. In the part that he was familiar with, they had all the various Boards composed of the same members.

He knew of one member who would attend the Hospital and Charitable Aid Board, then the Education Board, then the Harbour Board, and from each he would go home and draw his mileage; in addition to this, the gentleman in question served on the Road Board of his own immediate locality, for which he got nothing. A great saving would result to the community at large if these local bodies could amalgamate. Good, sound common-sense was what was required for nearly all those local bodies, and his experience was that a person who could acquit himself creditably on a County Council had always shown his adaptability and fitness to sit on the Charitable Aid Board. It was a mistake to confine Hospital and Charitable Board representation to one end of the county where the population was thickest, thereby leaving two-thirds of the county unrepresented. His experience in his district was that the Road Board worked harmoniously with the Council. They did the work for nothing, and they attended to their by-laws, and if they merged into the Council it would necessitate another Inspector, with a salary of £200 or £300 a year. If they wanted better roads it was their business, and they could improve them if they thought proper. Regarding the control of the main roads, of course, that was in the hands of the Council. They found under the Bill a very excellent provision made—viz., that some person had the power of stepping in and controlling their actions if they were not what they should be. County Councils were no better than Road Boards, and Road Boards were no better than County Councils—one was as bad or as good as the other, each having its good and its bad qualities. The money was spent where most votes come from. It was not unreasonable on the part of the Government to protect the general public. One could go from county to county and find good roads in the central parts, but when the confines were reached bad roads were discovered, and people who had to travel through the length and breadth of the land found great difficulty in so doing. Then, again, there were the boroughs, and they heard that in the case of Auckland there was a desire to make their city respectable; and if report spoke true, Auckland would require a good deal of money to make it respectable. Those who wished to travel expected to find good roads through the towns and through the counties. The Dominion roads passed through sections of boroughs, and these should be kept in good order. If there was an overruling authority even-handed justice would be dealt out to different portions of the country, and no part would be neglected. The towns were too apt to forget that there was community of interest between town and country, and in order that that interest might be conserved, there should be some power constituted that would levy equality of sacrifice where there was equality of advantage. Unless the Government was prepared to increase the subsidies to country bodies, some means should be found whereby the wealthier cities should be called upon to pay a fair proportion of the charges.

Mr. D. McLAREN (Mayor of Wellington) thought he ought to immediately follow the last speaker, if only to protect the City of Auckland. It was perhaps a new venture for a Wellington man to protect the City of Auckland; but he felt certain that in this instance the position of the cities had not been properly considered by the gentleman who had just spoken. If he considered that in the City of Wellington they had from £30,000 to £35,000 spent per annum upon the streets alone, he would not fail to realize that the large cities had a fair burden upon them at the present time. The matter he wished to refer to was the Local Government Board. The President, in his address that morning, had said that it was a question of taking the new body or remaining under the Governor in Council. Well, in his judgment, it was the same thing, only probably more so. Under the provisions of the Bill the signs might be different over the shop, but it was the same business that would be going on inside. It was quite true that in Great Britain they had a system of Local Government Boards in operation, and there was also a system of Ministerial Boards of various kinds; but it was equally true that there had been numerous protests against the acts of the departmental Boards, and cases had been carried to the Court of Appeal in England, where decisions had been given against the Central Boards that had been established, and he was not sure they wanted to take the same line that had been taken in this respect in the Old Country, for there was a very very large body of opinion in Great Britain at the present time that there was too great centralization of power in the hands of the Cabinet under the names of Boards of one kind or another. This, he considered, was not desirable so far as local-government affairs were concerned. In what was proposed under the Local Government Board they were face to face with a body which would have the settling of disputes as to the allocation of liabilities as between various bodies. That meant that the Board would practically act for the time being as part of the Judiciary. This was a very great power to create. Then, under the Bill, the Board would sit in private, and it would not be required to take evidence or to act judicially. A body vested with such tremendous power as was given under the Bill was not a desirable body to settle disputes as between various portions of people. He believed matters of this kind should more properly be referred to the Courts of the country, and the Judiciary of the country had power to settle such matters as the allocation of liabilities. The Board in one aspect was like a bench of Judges, and in another was an administrative body.

The PRESIDENT said he did not propose to proceed with Part X of the Bill, which was the part referred to.

Mr. McLAREN said, coming to the boroughs, he thought it must be recognized from the figures presented that the position of the large boroughs was different from the position of the small ones. For instance, the percentage of the cost of management of boroughs over three thousand was 6'12, whereas the cost of management of boroughs under three thousand was 14'51. From this it was apparent that the boroughs in the cities were in an entirely different position from the small boroughs. He entirely agreed with the view expressed by Mr. Parr that while it was desirable that small boroughs contiguous to cities should from time to time come in, so as to create larger municipalities, they should at the same time watch that this was done by an evolutionary process, and not be forced. As a simple matter of fact, as the law now stood, the door to amalgamation was

pretty widely open. By petition, small boroughs contiguous to cities could come into the cities very often without the terms of amalgamation being properly arranged. That was a situation they had to face in Wellington. Some wanted the small boroughs to come in at once, but he thought it would be very grievous and very burdensome to the finances of the large municipalities if the pace of amalgamation was forced any more. He would point out the position with regard to the finances of Wellington. The capital value upon which the rating would operate under the Bill for Wellington was £7,000,000, and for the whole of the counties within the Wellington Province the value was £17,600,000. The capital value for the Counties of Makara, Hutt, Horowhenua, Manawatu, and Oroua was £10,600,000, so that clearly they would have to consider seriously the position if all the liability was to be placed on the city. In saying this he did not want to be taken as simply putting forward destructive criticism. He believed that a certain amount of good work could be done in the matter of amalgamating some of the minor local bodies with other bodies, and also by strengthening the County Councils; but in his judgment the wisest course with regard to the cities was to leave them out, because he believed the whole trend of local-government law elsewhere as well as in New Zealand was in the direction of insisting that the cities get special legislative powers of their own in order to carry on their numerous functions. The President had rightly said that one of the essentials of local government was simplicity of form and method, but so far as the large boroughs were concerned their inclusion within the province would not mean simplification in any respect, but would add to the complexity of the functions they already had to exercise. Further, he would like to say, with regard to the financial effects of the Bill, that he believed they would be so serious that if the Bill was to go through the House in its present form the financial aspect of it should be gone into by a Commission, so that the bodies affected could clearly understand what the financial results would be before they indorsed the measure. He was glad to find that the Cities of Auckland and Wellington took the same view of this matter, which was not one of antagonism to the country districts, but was simply a recognition of the fact that their own financial liabilities were so great that they were compelled to safeguard the interests of the people to whom they were responsible.

Mr. F. W. VENN (Chairman of the Horowhenua County Council) would like to say a few words as to the opinion of the county he represented. All were aware that for many years there had been a great cry for some reform of local government, but all thinkers, at all events, were agreed that there had been a need of pointers to the Government as to how to bring about that reform. The Government of the day had now practically placed the matter in the hands of the local authorities, and if during the week they could only show the Government how to bring about a better state of affairs in connection with local government they would get what was desired. Here, then, was their chance. If they wanted reform, let them tell the Government what was desired, and how to get it. So far as his county was concerned, they did not believe in a Local Government Board. They believed that meant further expenditure, probably the appointment of another Minister or somebody else, and some one would have to pay for that, and that some one was the man on the land. The Minister had told them they proposed to set up a Board on the principle of the British Local Government Board, but he was afraid if they proceeded on those lines they would imitate the frog in the fable that tried to be as big as a bull. As they knew, the result was that the frog ultimately burst, and he feared they would burst if they tried to swell themselves into imitation of the British Government. He thought the Bill was a mistake. They all wanted less interference from Parliament. As the thing stood at present they could not move outside the four walls Parliament set up without what was called an Order in Council, and the worst of Orders in Council and Acts of Parliament was that they were generally passed by people who knew very little about local government. Personally, he thought that one of the finest things that could happen would be for the House to pass an Act prohibiting any person from sitting in the House until he had served at least four years upon a City, Borough, or County Council. If an Act of that sort was passed they would get men in whom they would have confidence, and men who knew what they were doing when they passed Acts for the control of local bodies. One thing the counties would like the Government to give more attention to, and which they ought themselves to be very careful over, were the remits brought up from time to time before the Municipal Conferences and the County Conferences, and more particularly to some of the rejects of the County Conferences. He noticed in this Bill a number of the rejects of the County Conferences, and he hoped they would be able to save several of these rejects. The trouble with County Conferences, and he took it it was the same with Municipal Conferences, was that they had always tried to pass as few remits as possible, on the supposition that the fewer they passed the more likely those passed would be to receive attention, and because of this many remits had been shut out. He did not think, so far as hospitals were concerned, that they would in any way better the position by abolishing the Hospital Boards. But what he did think was that they should bring pressure to bear upon some of them, at all events, regarding the awful charges they levied on the local bodies in the country. The Wellington Board had started last year with a credit balance of £18,000. Now, that money was actually drawn from the local bodies, who were paying interest on an overdraft at the bank for it. The Board had wound up the year with a credit balance of £10,100, and because they only had that credit balance they added 15 per cent. on to the levies. He thought this wanted seeing into.

The PRESIDENT.—Who should see into it? Would you refer that matter to the Local Government Board?

Mr. VENN said matters were bad now, but he believed the Local Government Board would make them infinitely worse. So far as the subsidies were concerned, his opinion was that they should be abolished altogether, and that the Government should take over the support of the Hospital and Charitable Aid Boards, and administer them in the same way that they did the mental hospitals and gaols. Wellington to-day wanted something like £57,000 for charity, and

this was in good times when loan-money was coming into the country. What would the position be if there was a slump, and the money-lenders would not lend any more money? Why, they would all be on the charitable aid. As to grants in aid of roads, they were a swindle from beginning to end. He contended that when the Government opened up land, instead of allowing the settlers to go on to it roadless, the Government should road the lands beforehand. And the same thing should apply wherever a private person cut land up. There should be decent roads before the property went into the market. The trouble with the grants-in-aid was this: A man went in for a roadless block, and he got the land for about 10s. an acre; then he began to agitate for grants-in-aid, and continued to do so until he got a road made; then he immediately sold out for perhaps as many pounds as he paid shillings.

A delegate rose to a point of order. Mr. Venn was dealing with general-government matters, not local government.

The PRESIDENT did not think it was out of order for anybody, in discussing roads-and-bridges grants, to mention what Mr. Venn was telling them.

Mr. VENN said he had no wish to delay the Conference. He had simply wanted to explain the position.

Mr. R. EVANS (Chairman of the Waipara and Eyre County Councils, North Canterbury) thought the Minister had been wise in calling the Conference, in order to get information and hear what the representatives of local bodies thought about local-government reform. An accusation had been made about extravagance in administration. If this was the case anywhere, it was not so in North Canterbury. He represented a district worth about £6,500,000, in which district there were several small local bodies. Four of these were represented by him, and they objected to being wiped out. In the first place, there was the Waimakariri Water Board. Their expenditure on administration last year was £224 out of the £2,700 collected. This worked out at about 7 per cent. If the water-supply were placed under the control of a Provincial Council, he was quite satisfied it would be impossible to do the work at the rate the Board were now doing it at, for the reason that all the members of that Board were interested in the water-supply, and gave their time in order to protect their own property. This Board did not get any grant from the Government: they found the money themselves. Another small Board was the Rangiora River Drainage Board. They raised £500 a year by taxing themselves—they received no subsidy at all—and the cost to the Board in expenses was £56. The reason why that Board was worked so cheaply was that all the members were interested in keeping expenses down, so as to protect their own pockets. There was also a small Harbour Board in the same district, whose income was £950, and expenses amounted only to £49 12s. 6d. If these Boards were merged into a Provincial Council he was quite satisfied the work could not be done so cheaply. He was aware that there had been a cry by some people for a Bill of the kind that had been placed before the Conference, but he did not think this cry had come from men who had considered the question, but was simply an election cry. He was satisfied, after being a number of years on local bodies, that the larger the body the more expensive it was to work in proportion to the money which the people were taxed. The nearer they could keep the supervision of the work to their own doors the cheaper the work was done. As far as North Canterbury was concerned, he was absolutely certain they were better left as they were. A year and a half ago the Road Boards in the Ashley County were abolished owing to the county not having adopted the Act, and they considered, when they made the new counties, what they would do with the Ashley Water Board. It was now in three counties, and they all decided that it was better to leave the Board as it was, because it was doing good work which none of them could do for it. If one Board had to deal with the works of all the small Boards he had mentioned, they would have to meet for fully three days. As regarded the North Canterbury Hospital and Charitable Aid Board, very few men could possibly afford the time which the present members gave in order to carry on the work of the Board. If its work was done under a Provincial Council he was sure it could not be carried on so well as at present.

Mr. M. DALZIEL (Chairman of the Education Board, North Canterbury) desired to speak to the proposals of the Bill only so far as they related to education. He wished, in the first place, to thank the Minister for placing before the Conference the resolutions passed by the meeting of delegates from the different Education Boards. These resolutions had not been passed with any view to protecting the interests of the Education Boards. It did not matter much to the Dominion whether the Education Boards continued or not, if there was an assurance that the national system of education was to be continued on the same basis as at present. To his mind, education was the most important question dealt with in the Bill. It would not matter very much to the country if a few bridges or a few roads or a railway here and there was neglected for a year or two, but it would be a disaster, he thought, if the best interests of the children were neglected for any length of time, and this might come about if the system proposed in the Bill were to be introduced. It was most important that the cost of education should be a charge on the general revenue of the country, otherwise there would be danger of the system being cut up into a sectional affair, which would be very detrimental; in fact, it would tend towards the destruction of the splendid national system we now had. He was not saying it was the best system that could be got, but it was a good system. As to secondary education, he thought it was time there was greater continuity in the work as between the primary and secondary schools. At present there seemed to be a break. If they as educationists felt that they had time and energy to expend, they had better expend it in trying to improve the present system or bring about a better system, than in merely trying to pull to pieces anything that was put before them.

Mr. JOHN FISHER (Chairman of the Waipa County Council) thought the present system of local government should be continued, with amendments to make it more workable. The Provincial Councils would not, in his opinion, be of any great value. He came from a district where seven counties were proposed to be embraced within the limits of a Provincial Council, and the districts would be so large that the Provincial Councillors would not be able to make themselves so well

acquainted with local requirements as they ought to do. The present system of local government, especially in connection with the town districts and road districts, had done excellent work in the past, and was sufficient for the requirements of the present day. To abolish these districts would be a mistake, in his opinion. In the district he represented there were no less than five town districts. Only one of these was independent. The others were subject to the county, and also to the ratepayers. It should be a condition that subsidies granted to local bodies should be spent only in making permanent improvements, such as metalling roads and making culverts. In the county he came from there was not a road that one could call a permanent road. He did not advocate the cessation of subsidies, but if his suggestion were adopted finality would be secured; the local bodies would know that in the course of time they would not be subsidized, because there would be few or no permanent improvements to be effected. He was not a member of a Hospital Board; but he thought the Minister's statement that morning showed that the Act of 1909 required further consideration. The Hospital Boards had done excellent work. They were composed of gentlemen who gave their time for nothing, their actual expenses only being recouped to them, and some of them had to travel from a great distance. To tell these gentlemen, in effect, that their services had not been acceptable to the country was to give them a severe slap in the face. As to the Provincial Councils appointing members of Committees from outside of their own number, the Minister had stated that persons who were not on the local bodies but had the required knowledge and possessed public spirit should be asked to devote a certain amount of their time to local affairs. In his (Mr. Fisher's) opinion, if gentlemen having such knowledge and public spirit asked the electors for their suffrages, they would not be found outside the local bodies. As to education, after the Hon. Mr. Mackenzie's statement that morning it was, apparently, not seriously intended to interfere with the existing system. It might be that some things required to be amended, but the present bodies had done excellent work. As a country member of the Auckland Harbour Board, he indorsed what Mr. Garland had said about the Auckland Harbour. It would be a great pity to place its control in different hands than the Board as at present constituted.

Mr. J. TREVOR (Chairman of the Wellington Hospital Board) was in entire accord with Mr. Parr in some of the statements he had made and some of the facts he had adduced. He would like to know whether there was a possibility of removing the cities from the scope of the Bill. The larger cities, at any rate, should not be brought under the Provincial Councils: to his mind, it would be a retrograde step. Two sets of officers in connection with the local Councils and the Provincial Councils would be more than was needed. With regard to hospital management, he was afraid they would go farther and fare worse under the proposals of the Bill. Hospital management would be very costly if, in the case of Wellington, they took in a district reaching as far as Apiti, and had to bring members from such a distance; he assumed that the work would have to be done from Wellington. There were men on the Hospital Boards who were giving, he was going to say, very nearly all their time gratuitously. Two members of the Wellington Hospital Board had attended 143 meetings during the last year; so they had not shirked their responsibilities. There were also other members who gave a very large amount of their time to hospital and charitable-aid work. In Wellington, and, he presumed, in the other centres also, there were distinct committees to work the three branches of the Act, and they did good work; and, in his opinion, if they deviated from that, they would do no better. The new scheme, he was afraid, too, would be more costly to carry out. In some small districts, of course, it might be better to amalgamate; but he was referring to the Wellington district, and he considered they had better remain as they were. He desired to make one reference: his friend Mr. Venn was not so very far wrong when he said there was something like £18,000, but he omitted to state the source from which it was obtained. Last year they had the Children's Hospital to build. There were voluntary contributions amounting to something like £8,000, and then there was the Government subsidy, which brought it up to a considerable sum, and as a result Mr. Venn was not far wrong. They were expending money in building every year: for instance, they wanted £10,000 this year for a pathological establishment. Something like £15,000 had been spent on the Children's Hospital, and there yet remained the construction of a fever ward. Those things were overtaking them in a few months, and consequently at one time a fairly good sum might be in the bank whilst at another time they would be on the verge of bankruptcy. The balance referred to by Mr. Venn was just sufficient to carry them over till the 31st March, when the rates were struck.

Mr. J. A. NASH (Mayor of Palmerston North) said it was the duty of the Conference to congratulate the President upon having invited them to Wellington to meet and discuss the proposed Bill. He noted that the President had remarked this morning, with a certain amount of bashfulness, that the Conference constituted the brains of the Dominion, and in that connection he wondered whether Parliament was afraid to tackle the Bill which they were there to consider. Speaking of the proposed Provincial Councils, he was of opinion that they were quite unnecessary. There were, of course, some exceptions, but everything generally was going on very well at present. Referring to River Drainage Boards, Town Boards, Fire Boards, and some of the smaller Harbour Boards, he was a member of a Harbour Board for nine months which was quite unable to pay its delegates their travelling-expenses, and it would be a good thing if the small Boards which he had enumerated were taken over by the Borough, the City, or the County Council concerned. A matter which had appealed to him very much in connection with the Conference was in respect to the Hospital Boards. He was of opinion that those Boards should be left just as they were. He did not think there should be any change in that respect. They had been told by Dr. Valentine that at Palmerston North there had been too much overlapping going on, and he was sure they were all very much amused when the representative of the Waikato that afternoon had told them how the doctor had put Rotorua on to their county. The doctor, so far as

Hospital Boards were concerned, looked after the interests of the Department and Parliament in general. He had studied carefully the reduction and alteration in subsidies, and reading between the lines, he had come to the conclusion that what was intended in the future in regard to Hospital Boards was simply that their whole upkeep would become a charge upon the local rates. The Horowhenua County seemed to have a grievance which should be considered. He was of opinion that the portion attached to Wellington should be attached to Palmerston North, because a great many persons from Horowhenua were sent to Palmerston; moreover, it would be a very much smaller tax upon the county. As to City Councils and Borough Councils, in the opinion of some of the delegates there to-day, they had rather a bad run, but he thought they were quite able to look after themselves. There was no doubt about it that the Conference which was held in Wellington every two years, when they met to consider legislation necessary for local bodies, was productive of good results, because they were able to take their deliberations along to the head of the Government and ask that they become law.

A delegate: They are put into the waste-paper basket.

Mr. NASH replied that they were not put into the waste-paper basket. As an example, he would cite the result of their last Conference in Wellington. Their requirements were placed by the President of the Conference before the Government, with the result that out of twenty-eight proposals which they asked should be made law, no less than twenty were put upon the statute-book of the Dominion; so that they had quite a satisfactory result. Then, again, there was the election of Charitable Aid and Hospital Boards, and also Harbour Boards. If he might be permitted to say so, he thought the present mode of election to those bodies, particularly in regard to Hospital Boards, was rotten in the extreme, because hitherto it was customary for the local bodies interested to send along the representatives whom they were entitled to nominate; but instead of that method it was now done through the franchise. So far as the franchise was concerned, some reference had been made to it this afternoon, but the franchise in regard to elections for boroughs and cities was quite a right thing, and it would be undemocratic to make any alteration at the present time. He did not want to delay the Conference, because a gentleman from Otago would remind them that he had not had the privilege of speaking yet. He thought they should adjourn at a given time, and not sit that night, and resume again to-morrow morning. He was quite prepared to move that resolution. In conclusion, he would like to say this: that, so far as local bodies were concerned—that was, City and Borough Councils of any note—if he was placed—and he hoped he would be—on one of those Committees, he had a resolution to put before them which would save them a great deal of time and trouble.

The PRESIDENT pointed out to the Conference the desirability of sitting that night. The subjects discussed were fresh in the minds of delegates, and it would be advantageous if they went on. If it were agreed not to sit that night, then he suggested that they should go on with the discussion until 6 o'clock. Personally, the Government were anxious to get the Conference through as rapidly as possible, as it was not desirable to keep a large body of men away from their homes and businesses. His own departmental work was getting behind, notwithstanding the fact that he had been back at work every night during the last fortnight. He would take the feeling of the delegates on the voices.

The appeal to the voices was inconclusive.

Mr. PARR suggested that they should go on with the discussion till quarter to six. Good work had been done so far, and members had travelled far, and were really fatigued.

Dr. J. C. COLLINS urged the advisability of adjourning early. Many members had travelled all last night. They were now in possession of the valuable address delivered by the President, which none of them had had an opportunity of perusing and studying, and that opportunity would not be found if they were pushed to the exhaustion-point. So far the criticism had been more or less of a local standard, and he thought it would be wise to study the speech that had been delivered.

Resolved not to sit that night, and to rise about 6 p.m.

Mr. F. HORRELL (Chairman of the Hospital Board and Rangiora County Council) remarked that when the meeting was convened the Minister must have expected severe criticism on the Bill, and he was not disappointed. Although they came there to criticize the Bill, they also came with the idea of assisting the Minister in the endeavour to evolve some simple form of local government. The Bill under discussion did not conduce to economy, efficiency, or good government. The first part of the Bill had already been severely criticized in regard to the Local Government Board. As was pointed out, it was proposed to give that Board a veto over anything which a Provincial Council or a county might do. It had been already suggested that morning that the management of education should be eliminated altogether from the Bill, so that it was unnecessary to refer to that phase of the question, inasmuch as the delegates who had spoken were strong in the belief that it was impossible for the proposed Provincial Councils to undertake the functions of the existing Education Boards with any degree of success. And he would follow that up by saying that it was practically impossible for the said Councils to successfully grapple with the functions and duties of the Hospital and Charitable Aid Boards or to sustain them in anything like their present state of efficiency. On the existing Boards—Charitable Aid and Education—there were men and women who were practical experts, and he thought the President would bear him out in the fact that in Canterbury that work was done in a most efficient manner. The men and women comprising those Boards were there for the dual purpose of seeing that the rates were judiciously expended, and whilst relieving, not to encourage poverty and pauperism. If they eliminated Education and Hospital and Charitable Aid Boards from the province of the Provincial Councils, what was there left for the Provincial Councils to do? It merely brought the Bill back to roads and bridges, and if they looked at it properly that could be overcome. The main roads and bridges should be in the same position as the railways—viz., they should be

undertaken by the Government and paid for out of the consolidated revenue. They were used by everybody, and everybody should pay for them. In regard to the main roads and bridges, he considered they could be easily and satisfactorily worked in this way: the Government Engineer could go through the county in conference with the County Engineer, and with him form an estimate of the approximate cost of such main roads and bridges necessary for the ensuing year; and when that was done money could be appropriated to the County Council, subject to the work being done to the satisfaction of the Government Engineer. In cases where two or more counties were interested in some supply or scheme a small Board of about five members could superintend and carry out the administration efficiently. A delegate had already brought under the notice of the Conference the fact that the Ashley Board supplied water to three counties, and yet it was only composed of five members, and gave entire satisfaction. The same principle could be applied to any work extending over two or more counties. As to county and borough work, he could not agree with his right-hand supporter, although they came from the same district, when he said that those little bodies should be curtailed. The county should carry out the work within the county in the way of drainage, river-protection, &c., and in the same way a borough should also do its own work. Mr. Evans had made reference to the small Harbour Boards, and no doubt those Boards did excellent work. The Borough Council of Kaiapoi could equally well carry out the work, and it was a mistake having two bodies to do it. They had several Domain Boards, and all of them could be wiped out and the work undertaken by the Council, and that without any difficulty whatever. It was not that those Boards cost a great deal; the Secretary was paid a little amount from £5 to £20, and there were not only his expenses, but the expenses of the auditing of the accounts had to be met, because the accounts could not be paid until they were audited. He would repeat that the County Councils and the boroughs should undertake the whole of the work within their respective boundaries. As to finance, there was no assured finance under the Bill; but if the Government would undertake the main roads and bridges, then the counties would be relieved of great expense. He would not further take up the time of the Conference, but he felt sure that the Bill as presented would be rejected by the delegates, and some simpler form of local government evolved.

Mr. WILSON (Mayor of Dunedin) said he agreed with the delegates who thought there would be no economy in doing away with the small local bodies. Those small bodies expended their moneys in a more satisfactory manner than did the larger bodies. The system of votes to small bodies was denounced by many members of Parliament. There were small districts round about Dunedin, and members practically kept their seats through those votes on the parliamentary estimates. Reference had been made to town-planning. There was an aspect which affected the larger towns in respect to the surrounding districts which the larger towns had no control over at all—that was to say, there should be some system whereby from three to six miles from the centres of large towns there should be some controlling body for the purpose of directing town-planning. This could be done either by the Government or by a Local Board. They had great difficulty in Dunedin: a man subdivided, and they had to take over that subdivision, and his contention was that they should have power to say in what direction the roads should go in the interests of the district. There should be some provision for town-planning over certain areas in cities. As to the extended franchise which was put in force two years ago, it was very little availed of, and he was afraid that if it were given to the counties the result might not be satisfactory. In the cities not half of those entitled to vote availed themselves of the privilege.

Mr. C. J. HARLEY (Nelson City Council) said it appeared to be generally conceded that there was too much local government, but the present Bill did not appear to him to meet what was required. The Bill merely set up another set of local bodies. It accomplished little else. He suggested that the cities and boroughs be left alone. It would be a good thing if facilities were given to amalgamate those boroughs which were contiguous. Beyond legislation in that direction, he would leave other matters alone. Further, he would leave educational matters alone. He would bring down a Counties Bill in which the number of counties would be reduced by two-thirds, thus bringing them down to forty or fifty, and they would be as large then as the proposed provincial districts, and he would give them all the other powers proposed to be given to the new Provincial Councils. Charitable Aid Boards extended over very large areas, and included boroughs and cities, but they should not be dealt with in a county scheme, and he would leave them alone. The larger Harbour Boards he would not interfere with, but the smaller ones should be merged into the county. As to the minor bodies, he did not approve of their constitution being carried to the absurdity of which they had an instance that morning. Some of them did very useful work. It had to be remembered that those bodies were constituted at the wish of the ratepayers, and they all existed through petitions. If the people thought fit to be governed in that fashion, and rate themselves, he did not see why they should not be allowed to do so. The Road Boards did a deal of useful work in their own particular districts. Town districts were creeping up all over the country: those with a population of over five hundred should become boroughs; Road Boards with a rate of less than £500 he would merge into the county; and some of the others could remain as at present. He would put a stop to increasing the number of counties, and no new county should be constituted without an Act of Parliament. He would put severe restrictions—far more severe than at present—upon the formation of minor local bodies. He thought some authority should be set up to prevent the forming of more local bodies, and that might be done through the manhood system; but as to raising loans, there should be some restriction put on, as it would not be wise to allow irresponsible people to vote for loans.

Mr. J. H. DAVIDSON (Amuri County Council) wished to know what the effect of non-ratepayers would be. In his district the non-ratepayers numbered three to one, and they would be eligible for election as Councillors. Injustice would be done by doing away with ridings, which, he thought, ought to be retained.

Mr. W. S. MASLIN (South Canterbury Hospital and Charitable Aid Board) agreed very much with what Mr. Harley, of Nelson, had said respecting the future of local government. Coming to the Bill, his remarks would perhaps be of a hostile character, though he was not opposed to the general principle of local-government reform. There might be something to be said in favour of a Local Government Board set up in Wellington, but seeing that the Minister would really be the power behind, before, and above the local governing Board, why not leave the responsibility where the authority would be? It seemed to him the appointment of such a Board would give the Minister an opportunity of shirking his responsibility, or at least of shelving it. Of that he did not approve, nor did he approve of section 10, which provided that "Nothing in this Act shall be so construed as to render it obligatory on the Local Government Board to hear evidence or otherwise act judicially in the exercise of any power, jurisdiction, or authority vested in it." If that was to be so, then let the Minister continue to act and to remain responsible.

The PRESIDENT said he did not agree with that clause of the Bill, and purposed withdrawing it.

Mr. MASLIN remarked that the Bill appeared to have been drafted according to Mr. Fowlds's gospel of the "New Evangel." The fact had not been previously noticed, but from beginning to end it was a single-tax Bill. He was surprised that members had not voiced that phase of the question more fully than had been done. He did not think this feature had been recognized. They had overlooked the taxing—he might say the confiscatory—power embodied in the Bill, which would impede land-settlement, and reduce land-values by 50 per cent.; while it meant increasing the possibility of local taxation by at least 100 per cent. If a man had land of the value of £20 an acre he was liable under the provisions of the Bill, for general purposes, to a tax of 10s. per acre. They had been settling men on land where they were paying from £1 10s. to £2 an acre. He was not saying it was not worth it; but if they made them liable to this additional taxation it meant that the land would be thrown back on the State, for the people could not possibly carry on under the enormous taxing-powers contained in the provisions of this Bill. This alone should condemn the Bill in its present form, and lead them to decide that it should not, if they could possibly help it, go very much further. He quite agreed that there were too many local bodies, but they were not going to lessen the taxing bodies under this Bill; they were going to create a new taxing body, which would make the taxation just the same as if the Road Boards and County Councils were in operation. He lived in a district where there was a Road Board and County Council in operation. The county levied a farthing rate, and the Road Board a three-farthing rate, so that while they had two rating bodies the total rate was only 1d., while under the provisions of the Bill the Provincial Council would have power to levy up to 3d. That was the power to rate; and with the responsibilities the Department proposed to throw upon the Provincial Councils, those bodies would have to levy up to the maximum rate for general purposes, because of the charges to be put upon them. He did not favour a provincial system at all, for by it they would merely create a body of paid men. The Chairman was to receive £300 a year. Why should the chairman of committees, who would have as much to do, receive nothing? To introduce a system of paying local bodies was highly objectionable, and he hoped the Conference would decide that there should be no paid members in connection with local governing bodies. Plenty of people were willing to give their time to these duties if they were recouped their travelling-expenses. How could the proposals now made lessen the cost of local government? Were they going to reduce the cost by paying members for services that were now rendered gratuitously?

The PRESIDENT.—Under what clause of the Bill do you say members are to be paid for their services?

Mr. MASLIN.—They can have 10s. a day.

The PRESIDENT.—Do you mean travelling-expenses?

Mr. MASLIN said it was to be not more than 10s. a day for every day they were away. That was too little if there was to be payment, but he maintained members of local bodies would give their services without any payment at all. Referring to harbours, the position of South Canterbury was this: One a struggling one at Oamaru, and the other, the Timaru Harbour, a harbour that was going to be one of the foremost in the Dominion, and was now first in the matter of the export of grain. What would be the position of the Oamaru Harbour with the Provincial Council sitting at Timaru, and having the Timaru Harbour under its control? Could the Council be expected to discharge its duties to the Oamaru Harbour? It would certainly let Oamaru go, and stick to the Timaru Harbour as the better one, and that would be unjust to Oamaru. With regard to charitable aid, it was necessary that members should have local knowledge of those applying; but in a district embracing two towns such as Timaru and Oamaru, as well as smaller towns, that would not be practicable; and he did not think they could possibly get efficient working of the system. The outcome of the discussion, he thought, would be that the county system would be the one most approved; that Education, Charitable Aid, and Harbour Boards—except in a few cases demanded by themselves—should be maintained, and that town districts, where they were able, should become boroughs or merge into the counties. He would suggest there should be some principle upon which counties and boroughs should be formed. While under the provisions of the Bill they perpetuated the existence of little boroughs with a population of less than five hundred, they also continued the existence of counties with a population of less than five hundred. It would be seen that was correct. He would suggest that this should be a basis: that any community of people should be allowed to form themselves into a borough if they had a population of not less than five hundred. That would meet the case of town districts that were doing good work. Where, however, the population was less than five hundred the local body should be abolished and merged into the counties. As far as Road Boards were concerned, any Road Board having a population of not less than two hundred and a valuation of not less than £2,000,000 should be allowed to form themselves into a county. That would be a reasonable basis upon which to build up a system of local government; but so long as they had a large number of struggling boroughs

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 9½—on general rates, 13½; 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

out the work properly. Another defect—and, to his mind, the greatest of all—was the present system of distribution of grants from the Public Works Fund. It was the most wasteful, the most unbusinesslike, the most demoralizing system that could possibly be invented; indeed, it was not a system at all. No word could adequately express his objections to the present method. If the Conference had no other effect than to help the Government devise some method, some regular principle, on which these grants should in future be allocated, it would have justified its being held a hundredfold. What were the remedies proposed by the Bill? They had the proposal for the creation of Provincial Councils; they had the proposal for the abolition of a large number of local bodies; and they had a proposal for the substitution of a definite and automatic principle of subsidy in place of the present system of promiscuous grants. To his mind, these three remedies were thoroughly practicable, thoroughly sound, and he heartily agreed with them. He looked upon these remedies as the main principles in the Bill, and hoped that those who were anxious to see the Bill carried through would concentrate their efforts on the maintenance of these essential principles, and would not overload the Bill with any contentious matter that could be avoided, but would throw overboard anything that endangered the Bill which was not essential to the maintenance of these principles. Take the first question of subsidies. There is no system that was likely to be devised for subsidies to local bodies that would be perfect. He was extremely sorry to hear the Minister say that the system proposed in the Bill was unworkable. He thought they should have some system, and any system within reason was better than what at present obtained. A system should be introduced, and if it did not give satisfaction it could be amended; but he strongly urged that the present method should not be continued. If a system of subsidies was adopted it should be made absolutely impossible for the present methods to continue. It should be made criminal for the Minister or the Government to allocate moneys any longer by a system of promiscuous grants. This did not necessarily mean generous finance, but he took it that local bodies would know exactly where they were and what they were to expect from the Central Government. If that was carried out it would mean assured finance. The proposal stated explicitly what local bodies could expect, and practically said, "Here you are, gentlemen, the amount of subsidy depends exactly on the amount you are prepared to rate yourselves; do not crawl to us any longer." He considered that the proposed Provincial Councils were sufficient to give the necessary counterpoise that was required in the centralizing tendency. A greater amount of work was not proposed for them than they could carry out. The danger perhaps was that they did not have enough work to do. If the control of education and charitable aid was to be taken away from these Councils there would be, in his opinion, no justification for their existence. He hoped that those who were in favour of it would fight their hardest to have education retained as one of the subjects to come under the control of the Provincial Councils. One of the objections to the proposal was that the cost of primary education would to some extent be put upon the ratepayer. He agreed that that was an unwise proposal. The Bill started off by saying that all the funds which were at present paid to Education Boards should be paid to the Provincial Councils, and then it immediately proceeded to contradict that by repealing one of the chief sources of revenue at present paid to Education Boards. There was no need for that provision. If the finance and education were left exactly as at present, nine-tenths of the objections to the proposal of the Bill would be met. He believed that the inclusion of education in the functions of the Provincial Councils would also enormously increase the public interest in education, and stimulate the progress of education on sound lines suited to the needs of most districts. He believed that the principle of the division of labour of the work of County Councils was sound. If the rating was put on a proper basis there would be no danger, no matter what the management might be. The basis proposed was a new basis. To his mind, it was most unjust, disastrous, and far-reaching in its effect to institute the Parliamentary franchise for the election of local bodies. At the same time, they must remember that they were year after year menaced with that proposition. So long as the Government gave local bodies large grants by way of subsidy, and so long as non-ratepayers had no degree whatever of franchise, they laid themselves open to the demand that these non-ratepayers should have some representation. To his mind, one solution of that was offered in the Bill, which extended the powers of voting beyond a merely residential qualification; but it would be better to delete the clause than to leave it as it was at present. He thought it would be possible to arrive at a solution, and one that would satisfy him was that the residential franchise should bear the same proportion to the ratepayers' franchise as the Government subsidy in each county bore to the rate collected. He thought that in time that would work out well. When they had an opportunity of discussing the question he thought it would be possible to show that it was feasible, perfectly simple, and perfectly sound.

Mr. JOHN SMART (Maniototo-Vincent) said that the district he represented did not agree with the main features of the Bill, but his people did agree that it was one of the best things that could have happened that the Conference should have been called, and, on behalf of the district he represented, he tendered thanks accordingly to the Government. He had understood the previous day that they were to explain how the main features of the Bill would affect the districts they represented, and that after that, when the Committees had been set up and had reported, the Conference could consider the details. They had certainly departed from that to a great extent. As far as the district he represented was concerned, the proposed Bill did not suit at all. There had been considerable opposition to it. In his district there were three boroughs and two counties, and the work had gone on exceedingly well. The only trouble had been that miserable thing of having to go to the Government hat in hand. The Chairman had properly stated the matter when he said that sound finance was the crux of the whole position. The county system had done splendid work, and the men engaged on those Councils deserved the thanks of the whole of the community. All that was wanted for the counties was that they should have assured finance in order to solve a great many of their difficulties. He knew he would be told that the counties could make their finances sound under their present rating-powers; but the present system of going to the Govern-

ment had grown up, and, although the counties had not got all that they had asked for, they were always sure of getting something. There were just one or two other matters he would like to mention. In the district to which he belonged the present system with regard to hospitals worked admirably. There had been no friction, and the work had been done in a splendid manner. He opposed absolutely the proposal that there should only be five members of the local bodies, for in his district that would not work at all.

The PRESIDENT.—When I mentioned “five” I only meant five to be elected by the people direct. I did not mean that the Committee should consist of five, because the county might elect seven, and the Committee would comprise twelve.

Mr. SMART said that that would do, but to have a Committee of five would not suit at all. The representatives of these counties had a full sense of their responsibilities, and did their work well, and in such a manner as had received approval in the past. Then there was the question of the franchise. That was most important, and it was a subject on which the Conference should speak with no uncertain sound. He strongly objected to the franchise as proposed in the Bill. Local bodies were to all intents and purposes administrative bodies, and there should be some voting qualification which would insure that a man had a sense of his responsibility. As proposed in the Bill, it might happen that a man occupied the chair of a County Council who had no interest in the county at all. He thought there should be some qualification, and was in favour of the continuance of the present system. In his district it was possible for a man to take up a residence area, for which he paid 5s. a year, and under the proposal in the Bill that man would have as much power as a man holding property worth £1,000.

The PRESIDENT.—You are evidently not in favour of manhood suffrage.

Mr. SMART said he was, but a distinct line had to be drawn between Parliament and a local body. Parliament dealt with the liberties of the people as well as other matters, and it was advisable that every one over the age of twenty-one years should have a voice in those matters. With regard to the matter of the overdraft, he would like to say that it was stated in the Bill that under no circumstances could the overdraft exceed the balance of the estimated revenue for the current year. It was quite easy to imagine a case in which that provision would be exceedingly oppressive. For instance, at Christmas twelve months ago damage to the extent of £1,000 was done within an hour in his riding of the Vincent County. That damage had to be remedied at once, and if they had previously been expending up to their limit they would have been in a nice fix. The men who were in charge of county affairs were not children, and should have some liberty, so that they could carry on the duties properly. There were a good many other matters to which he would like to refer, but he would leave them over until the opportunity came for dealing with the subjects in detail. At the same time, he thought it was right that the Conference should know what the general effect of the Bill would be on each place. If that was done they would be able to arrive at some general conclusion, and evolve something which would be a permanent benefit to the whole Dominion.

Mr. H. J. MIDDLETON (Southland, Wallace, and Fiord) said it appeared to him that they were gradually but surely evolving something out of the discussion that was going on. A process of selection was being made, and he thought they were drawing a line round the only part of local-government reform that was necessary or would be acceptable to the people. It had been made manifest that no reform was needed in regard to the big cities, and also that the present system of Hospital and Charitable Aid Boards could not be improved upon. What, then, had they left? Very little was left that required reform with the exception of the counties, and the solution of that difficulty, he believed, would be found in an enlargement of the counties and the giving of somewhat extended powers to the counties. He came to the Conference to especially oppose the formation of the Local Government Board as proposed in the Bill; but he must admit that the remarks they had had from the President had to a great extent disarmed criticism in regard to that Board. It was not the revolutionary thing they had been led to believe it. It was merely a system to take over the duties and responsibilities and privileges at present vested in the Governor in Council. He understood that that was largely what it meant.

The PRESIDENT.—That is so.

Mr. MIDDLETON said he did not believe in centralizing, but they must admit that it was necessary to have some responsible body between the local bodies and the General Government. He was at a loss to see that the setting-up of the Provincial Councils would make for economy in administration. Given a reasonably large County Council, he thought they would get the most economical administration possible. He happened to represent a very large county. They had a capital value of eleven millions, and the total cost of administration, covering everything that could reasonably be called administration, was 7 per cent. of the annual revenue, which from rates alone amounted to almost £40,000. If Provincial Councils were set up to have jurisdiction over main roads and bridges, it would be necessary for those Councils to at once set up a staff for the maintenance of those roads and bridges, and the counties would still have to continue their present staffs and working gangs. The counties had built up a system under existing conditions, and it was working satisfactorily. His county had an organized bridge gang, and that gang could not be dispensed with by the county if the Provincial Council was set up; but that Provincial Council would also require to have a bridge gang. It appeared to him that the rating-powers which it was proposed to give the Provincial Councils would simply double the liability of ratepayers without their getting any return for it. He had not been able to see anything in the proposal to establish Provincial Councils except an increased cost of roads and bridges. He agreed with Mr. Studholme in his condemnation of the system of grants and subsidies; and if anything further was needed to satisfy the Conference, and the country, and the Government of the viciousness of the system, he thought he could supply it. The matter to which he referred was a somewhat notable one. The grant was made for a thoroughly private

purpose, and of no public utility whatever, and it was given without the knowledge of the County Council, which was forced into the position of spending the money, although it was only a small sum. Their specifications for the work were approved by the Government Engineer; the work was carried out, and again approved by that Engineer. Then they applied for payment of the grant, but their application was hung up, and they got no reply. They renewed the application for the grant, and within the last six weeks word was received from the Public Works Department that the authority for that grant was withdrawn. Now, that was a nice position to place a local body in. If they were to be faced with that sort of thing, what guarantee had they in the future in spending any grants given in that manner? There was only one word which appeared to him to properly describe such an action, but it was a word which thoroughly met the case, and that word was "repudiation." If one Government could repudiate the obligations of a former one, where would they be landed? He, for one, would decline to spend any grants that were offered to them.

The PRESIDENT.—I desire to say that what you have referred to was not done by the present Government.

Mr. MIDDLETON said he was very glad to hear that. They had been informed within the last six weeks by the Public Works Department that the authority for that vote and a similar one had been cancelled. The contract for the latter vote had been let, but fortunately, owing to the bad season, the contractor was unable to begin the work, and therefore the Council did not incur any liability. But in the case to which he had previously referred the Council had incurred the liability, and was out of pocket. Surely it was possible to devise some better method than that. Indeed, it would be a good thing if the politicians could get rid of the system. In regard to the franchise, he was opposed to give representation without taxation. One delegate had advocated that the resident non-ratepayers should be given a vote, but later on he called them "irresponsibles," and said they should not be allowed to take any part in discussions on loan proposals. If they are irresponsibles—and I agree with him—why should they get the vote? They were administering purely local affairs, and chiefly with locally raised money. The amount they received from the Government was so small, and the amount that those resident non-ratepayers contributed through the consolidated revenue was so small, that it was not worth taking into consideration as an argument in favour of the franchise. In the country almost all those who were not householders had their food provided for them, and they only paid duty on their clothes and luxuries. He had briefly touched on what he thought were the most vicious proposals in the Bill. He thought they might evolve something out of the Bill by suggesting to the Government the wisdom of increasing the size of the counties. Let the Road Boards merge, except in very new districts, where they were doing good work; and some system should be devised to take over the little River Boards. The present County Councils could strike the rates, and proclaim separate rating areas for them, and set up Committees to administer those affairs.

Mr. H. LOWE (Mayor of Thames) said the President deserved the thanks and appreciation of the delegates for bringing them together. There was no doubt but that it gave representatives from all parts of New Zealand an opportunity of expressing their views upon the Bill, as well as upon local government generally. There was real need for reform. Personally, he favoured enlarging the powers of the County Councils. He differed very much from the remarks of his friend from Ashburton, and also with the last speaker, who seemed to be inclined to make it criminal for the Minister to give grants. Those gentlemen seemed to expect that districts should live upon their own taxation. If Ashburton had a rateable area that contained within it something like a million acres of mining lands that was not bringing in one single farthing in the way of rates, then the delegate from Ashburton would not have spoken as he had done. The positions were altogether different. In Hauraki Peninsula there were a million acres locked up right in the centre of the district, and a fringe of the district only was being cultivated. Outside of that they had no rates whatever coming in, with the exception of a few mines that were working on the fringe. A good deal had been said about education, but, personally, he was not in favour of handing education over to the Provincial Councils, or any other body of men. The Education Boards had done excellent work, and the progress made educationally since the inception of the Act proved that. Something like 80 to 90 per cent. of the people of New Zealand were able to read and write. New Zealand had one of the largest percentages of educated people in the world, with the exception of Scotland. It would be a great mistake to make sweeping changes, and do away with Boards that had done excellent work. Education Boards were composed of men who had given a life study to education. He did not mean to say that the system was without flaws, because in some cases it was possible to have better administration. It would be impossible for the proposed Provincial Councils to take the same interest and do the same work as the Boards. In his district they had four School Committees, with something like thirty-four men, doing work that could easily be done by nine; but that was only one point. Generally speaking, he considered they could not do better than stick to their Education Boards. Referring to Hospital Boards, he was of opinion that hospitals would be far better administered by the local districts themselves, because there there would be found local sympathy. He would appeal to Dr. Valentine if they had not one of the most economically administered hospitals in New Zealand.

Dr. VALENTINE.—That is so, sir.

Mr. LOWE went on to say that some time ago the central body administered the Coromandel Hospital, which was unsatisfactory to all parties. The moneys were foolishly expended, and in the matter of charitable aid people took advantage of the remissness. Coromandel petitioned to be made a separate body, and they indorsed that petition, because the central body was glad to get rid of it. Since the transfer both charitable-aid and hospital work was better administered at Coromandel. They had made a saving this year of £60 by their economy. Thus, he believed

in local districts administering their own hospitals, as against the central body. He was amused with his city friends, who seemed to think that there was no community of interest between country and city. There was no doubt about it that every road, waterway, or railway that opened up lands, giving facilities for new settlement to be profitably undertaken or old districts to be adequately worked, was not only advantageous to the agricultural industry, but equally so to the industries of the cities. The industries of the towns were improved; it gave employment to the people, and benefited the country in general in every way. There was no want of community of interest between the towns and the country.

Mr. WILLIAM MACALISTER (Southland Education Board) remarked that he came to the Conference rather prejudiced against the proposed Local Government Board; but the Minister's speech had to a large extent removed that prejudice. He thought it was possible to have such a Board, and he believed the Minister was working on sound lines. It was a democratic measure. He desired to follow up the suggestion made by Mr. Middleton, and it seemed to him that that was really the solution of the whole difficulty. They must assume now that the proposal for the establishment of Provincial Councils must go by the board, as it was clear the country did not want them. The country was equally emphatic that education should be managed by independent Boards, and he was in sympathy with such Boards. If education continued to be administered by independent Boards, then it seemed to him that one of the main functions intended to be discharged by the Provincial Councils was gone. The solution of the difficulty was touched upon yesterday by Mr. Harley—viz., the reduction of the number of counties, the extension of their area, and the enlargement of their functions. The proposal in the Minister's speech for setting up local Committees was an excellent idea. If the County Councils were enlarged, it was quite possible, in his opinion, to do away with the River Boards, and substitute in their place the proposed local Committees. They had been speaking in a sweeping manner of the abolition of River Boards, but it was really not abolition, and the better word would be "conversion," because all that was proposed in the suggestion made by the Minister was the conversion of the River Boards into a local Committee. That was to say, the river districts would remain and be administered by a local Committee under the superintendence of the County Council. That was an excellent proposal, and would not in the slightest degree impair the local administration. The local Committee would administer affairs in the river district, but the rate would be struck by the county. The Committee would have the benefit of the county staff and the County Engineer. That was economy, and at the same time would not interfere with efficient administration. The same might be said to some extent in respect to Town Boards. A great many of those could be abolished and their place taken by the local Committees, with certain powers. Town Boards with a population above a certain number—say, above five hundred—could be constituted boroughs. Those local Committees in reference to the various departments would be analogous to the existing School Committees. The Committee to be set up to consider those matters ought to bear in mind this fact: that the abolition of a River Board did not mean the abolition of the river district, nor would the abolition of a Town Board mean the abolition of a town district—that was, if the place of the Board in each case was taken by a Committee.

Mr. H. M. CORBETT (Chairman of the Ohinemuri County Council) desired to read the following letter which he had received from the Waihi Borough Council:—

"DEAR SIR,— "Waihi Borough Council, Town Clerk's Office, Waihi, 17th May, 1912.

"I am instructed to forward you the following copy of a resolution passed at a meeting of this Council last evening recording a protest against the proposed Local Government Bill:—

"That this Council strongly protests against the passing of the Local Government Bill, for the following reasons: (1.) That it will aggravate and intensify the evils of centralization. (2.) That it will curtail the right of the people to administer their own local affairs. (3.) That its proposals will in operation prove cumbersome, expensive, and unsatisfactory. (4.) That, while increasing the cost of local government, it will not add to its efficiency, but will increase financial burdens and unnecessary taxation.

"That a copy of this resolution be forwarded to the delegates who will represent this district at the Conference of local bodies to be held at Wellington, urging them to strongly oppose the Bill."

"I have, &c.,

"H. D. MORPETH, Town Clerk.

"H. M. Corbett, Esq., Chairman, Ohinemuri County Council, Paeroa."

The following resolution was passed by the Waihi Chamber of Commerce at its last meeting: "This meeting desires to record its opposition to the provisions of the Local Government Bill. It appears to strike at the principle of local authority over local affairs by placing the power in the hands of those at distant points within a province who cannot be so well acquainted with the requirements of a district as the residents, and by pressing on supreme authority to a Local Government Board in Wellington. In the matter of education, hospitals, and other public services it considers that the suggested changes would be no improvement, and that the Bill will be vetoed by the Conference in Wellington."

He was also in receipt of the following telegram:—

"Messrs. Lowe and Corbett, Local Authorities Conference, Wellington.

"Copy resolution passed meeting to-day that this Council is strongly opposed to the Local Government Bill being passed into law, the Bill being unsuitable to this county.

"R. SWINDLEY, County Chairman, Coromandel."

The Ohinemuri County recognized that some change in local government was necessary. They had a considerable area of both mining and agricultural land. So far as agricultural land was concerned, they had a big portion of that district known as the Hauraki Plains. It was necessary for the development of that district that they should have some assured finance. Roading there was very expensive. The present system of grants made from year to year were, in a sense,

unsatisfactory, inasmuch as they did not know what was coming next year. They should know exactly what amount they were entitled to for the purpose of roading the district, so that the work could be carried on in a permanent way. To form roads merely for the time being was expensive and unsatisfactory. If the Government would set aside a sum of money, or load the land to such an extent as to insure the roading of the district within a certain time, settlers would know exactly how to proceed with the work. There was a difficulty which existed in subsidizing the rates in connection with the goldfields districts. In Ohinemuri they had a considerable area of goldfields land, and a very valuable asset it was at the present time. If they received a subsidy on the rates, instead of the grants which were made at present, they would be considerably hampered in the development of those mining districts. There were the Talisman and the Crown properties, as well as the Victoria Battery, which was connected with the Waihi Company. In all, it could carry a valuation of something like a million of money, but as far as rateable value was concerned it was not worth one penny to the county. In Waikino they did not receive one cent of duty. The Government recognized this position, and they made the usual Government grants for mining purposes. If those grants were done away with the mining industry would be crippled in those particular districts. He wanted to see an assured finance, and they should be assured of a certain amount of money throughout the goldfields districts. The money should be granted to the local bodies in a sum that would enable them to distribute it properly. In connection with education, he recognized that the legislation relating thereto was very unsatisfactory. The administration was not altogether what it should be. It would be just as well if Education Boards, especially the Auckland Board, recognized that there were districts outside of the main city requiring attention in the matter of education as well as themselves. So far as the country districts were concerned, they were far below the standard of education existing in the larger centres. The qualifications of the teachers were not equal, and, apart from that, the money devoted to the School Committees was insignificant, whilst in the towns there was sufficient money. He would defy any man, no matter what business ability he might possess, to conduct the duties associated with a School Committee upon the money receivable. As a matter of fact, the members of the Committee had to dip their hands into their own pockets, and he was glad to say that they had men in his district who were prepared to do so. He was not in favour of giving the control of education to the proposed Provincial Councils, although the country districts would be better rid of the Education Boards. It was true that the Committees appointed or elected the Education Boards; but the membership of Boards fell to those who were in the larger centres of the education district. In Waihi they had three schools with one Committee of eleven. If the Thames were entitled to a voting-power of thirty-six, why should Waihi only have eleven? He hoped the Education Committee which they were setting up would devise some new scheme. So far as the franchise was concerned, he approved of it. As a matter of fact, a man who had no actual property was as much interested in the development of the district in which he resided as the man with property. He came from a district in which the population was moving, and he was in a position to judge.

Mr. C. J. PARR (Mayor of Auckland) asked leave to make a personal explanation, as some of his remarks had been misapprehended by the Mayor of the Thames and another delegate yesterday afternoon. The Mayor of the Thames had told the Committee just now that the city representatives, evidently referring to himself (Mr. Parr), had declared that there was no community of interest between the cities and the country. In reply to that he would tell the Conference that nothing was further from his thoughts than to make any such statement, nor did he make any such statement. The point was this: the cities would object to any measure of reform in local government which would put upon the large cities the expense of making drains, bridges, and roads one hundred miles away from their confines. In respect to that there was no community of interest.

Mr. H. M. DRIVER (Chairman of the Bruce County Council) said that though he had been silent during the debate he had listened with great interest to the speeches delivered by delegates to the Conference. In his opinion, the Government was to be congratulated upon bringing down a measure that was of supreme importance to the country, and in giving the country delegates an opportunity of criticizing it; and there was no doubt it had undergone a very large amount of criticism during the time it had been before them, so that if the Bill survived at all it would be in a very greatly emasculated form. He did not propose to say very much in connection with the various matters that had come before the Conference, as they had been sufficiently debated already, and the speeches now delivered were practically repetition of what had been said before. He must, however, admit that some of the speeches delivered had been masterly, and had put the position very clearly before members, and also before the country. In this connection he particularly referred to the speeches by Messrs. Harley, Maslin, and Studholme. From these gentlemen they had had a masterly exposition of the various provisions of the Bill as they affected the people concerned. What he wished to refer to—and he would do so very briefly—was the question of education. It seemed to him it was a wise determination on the part of the Government to delete that portion of the Bill. He believed that the Conference on the subject would have a most valuable effect, because, while he considered the education system of the Dominion was one they were all rightly proud of, still there was a great amount of money expended in connection with the system the expenditure of which might easily be avoided; and in this direction the Committee to be appointed might, after consideration, bring certain points before the Minister of Education, and these would no doubt receive the consideration they were entitled to. He knew, and he believed every member of the Conference knew, that in connection with the city schools a very large amount of money was absolutely thrown away. This was the case with the expenditure on manual training—the education which took children from the Fifth or Sixth Standards in the city schools and put them in the technical

departments, with the idea that they would be taught to be carpenters, or something of that sort. This was money absolutely thrown away; of that he felt sure. He had discussed this matter with the late Minister of Education, who had agreed with him that a large amount of money was wrongly expended in this direction. In this he was not referring to technical schools, because every one must recognize the value of proper technical schools. The question of School Committees, it seemed to him, need not be discussed; but he thought the money should be saved that was now spent on manual education, and be used for the purpose of making the Universities more accessible to the people. Hospital administration was a subject in which he was particularly interested. He thought this Bill must have been a long while in being put together, and was evidently drafted before the Hospitals Bill came into force. Delegates had met together in Wellington, and had discussed various points in the new Hospitals Act, and he was sure the result of that Conference had been valuable, and had tended to economy of administration; so much so that he was sure the new system was much better than the old, as well as much more economical. The consideration of that Bill had taken a very large amount of time; it had been discussed very fully, and consequently he thought that this part of the Bill might easily be cut out of the Local Government Bill. He was satisfied there were many men throughout the Dominion who had given much time to hospital-work, which was intricate, and demanded as great attention, in order to master the details of management, as education. The one was as important as the other, so he thought both education and hospitals and charitable aid might be cut out of the Bill. One other matter he would like to mention. While the Hospitals Act gave very large powers to those doing the work, it also gave very large power to the Minister, and they would notice that the Bills that had come before the people always had one or two little bits added to them which increased our indebtedness. They had an excellent gentleman in charge of the Department, and one who was endeavouring to administer it upon the most economical lines possible; but here, again, the Minister's powers were increased. He did not think this should be so. He thought that while the Minister had a perfect right to exercise his functions in a proper manner, those who had the administration of hospitals and charitable aid should exercise their functions, and the Minister should meet them half-way. He would like to say, in connection with the Local Government Board, that he had altered his opinion very considerably since coming to Wellington. He did not think it was by any means a perfect Board; but, as had been mentioned in the President's address, he thought there were points in it which they might very well take advantage of. The Board, as recommended in the Bill, might be altered somewhat, and it might be a very good method of meeting the wishes of those whose wishes had to be consulted. The Governor in Council was a gentleman who sat very high apart from others, and it took a long time and very considerable trouble and expense to get his ideas. All this could be obviated by a board of control, which, in this respect, might do valuable work. However, as this was a matter which would really be debated later on, he would now simply return his thanks to a number of members who had put their views before the Conference in a very able manner, and thank the Minister for this opportunity of airing their grievances, and also for the fact that by means of his introductory speech he had given them a much better idea of the Bill than they could otherwise have obtained.

Mr. E. ALLEN (Auckland) said the President, in his opening speech, had made a point with regard to economy; but they would find that under the Bill economy came in mostly under the local districts. The figures given by the President showed that the cost of administration of the road districts was 15·38 per cent., whilst the cost of administration of counties was 19·49 per cent. Now, that clearly proved that if economy was sought for, the present system of road districts should be retained. At the same time, he thought that Road Boards recognized that the trend of events was towards the absorption of road districts into counties; and the counties he represented—Manukau and Franklin—had, recognizing this fact, set their house in order by instituting counties where there had previously been road districts. If, however, the abolition of Road Boards was made compulsory, it would be found that the Road Boards would kick, and kick vigorously; and Road Boards had a good deal of kick left in them yet. On the other hand, if Road Boards were left to work out their own destiny, it would be found that they would merge into the counties, or remain out, as best suited the conditions. There were many Road Boards which would merge into the counties, and there were other Road Boards which would not merge, and which, for his part, he saw no good reason why they should. Another point brought forward by the President was the matter of assured finance. It seemed to him that the amount given in the Local Government Bill with regard to that was going to place local bodies in a very much worse position than they occupied at present. At the present time Parliament appropriated a certain sum for each county, but under the Seventh Schedule of the Bill there was a scale given of subsidies to be granted to counties. If that scale was examined it would be found—

The PRESIDENT.—I stated distinctly that the subsidy proposed in Schedule VII was unworkable, and I do not propose to proceed with it.

Mr. ALLEN said in that case there was no reason why he should deal further with the subject. At the same time, one of the most important points in the reform of local government was the matter of assured finance, and no scheme had been submitted which would improve the finances of the local bodies affected. So far as education was concerned, he thought it would be premature at the present time to place it under the proposed Provincial Councils. It had been stated by some speakers that there was no outcry for reform in local-government administration. In his opinion, there had been such an outcry, and that outcry had been directed in a great measure towards giving to local bodies a more assured finance. The matter of grants or doles to local bodies from the Government had been mentioned, and he would like to say this: the Government had sent round schedules to local bodies asking how much they would want for their district. These schedules were filled in by the Boards, and forwarded to the Minister, and nothing more was heard about it. That was the position generally, so far as his Boards were concerned.

A delegate: Who is your member?

Mr. ALLEN said Massey, and he was not ashamed of him either. If it was only to get subsidies that they put members into Parliament for, then the sooner they ceased having parliamentary representation the better. In his district they put a member in for Parliament because he was a man, and not for the reason that he could get them grants. He thought that some scheme should be devised whereby local bodies should not be tempted to ask for grants, and in the long run, after they had their estimates decided upon, to get nothing. He admitted that some small local bodies did get considerable grants for roads that led to nowhere, whilst other local bodies who had asked for grants for years could not get a penny for their roads. He could not understand it. It seemed to him that until this matter was put on a proper footing they would always have trouble in regard to it. As regards hospital matters, he did not see why hospital affairs should not come under the review of the Provincial Councils. It appeared to him that our institutions at the present time were, on the whole, fairly well managed. They might be better managed.

A delegate: They might be worse.

Mr. ALLEN said that was perfectly correct. This Bill, at any rate, was an attempt on the part of the Government to do something towards making administration better. If the Government failed in the matter, as the remarks made seemed to indicate would be the case, they could console themselves with the fact that "it was better to have loved and lost than never to have loved at all."

Mr. J. BRUCE (Chairman of the Akaroa County Council) joined with others in thanking the Minister for calling the Conference together. He appreciated the courage of the Government in facing this particular subject. The Minister, in his speech, covered the ground very well, and had given them a lot of useful information. It seemed to him that they had gone in for a process of elimination. Judging from what had been said, one might assume that education and charitable aid would be left as at present. Provincial Councils would be practically wiped out, and if that was so their city friends were not concerned at all. They had their Municipal Corporations Act, which dealt with everything which affected them, and consequently the discussion would not interest the city delegates much more. There were one or two subjects mentioned by Mr. Studholme in his very able speech that he would like to refer to. Mr. Studholme aimed at what, he thought, every one present aimed at—that was, to do away with the scramble for public funds that took place every session. Mr. Studholme advocated as a remedy for that a graduated subsidy, and, if he caught his points correctly, believed that the graduated subsidy proposed in the Bill would meet the position. He thought, however, that the Minister's own admissions rather contradicted that; in fact, the Minister said it was unworkable. When they took into consideration such matters as mining lands, Maori lands, and others they would see that it was almost impossible to fix a graduated subsidy which would meet all the requirements. He did not agree with Mr. Studholme that the control of education should be handed over to the Provincial Councils. He did not think it would make for economy. Touching briefly on the effect the Bill would have on the counties, he would just mention that the Bill altered the methods of paying subsidies, did away with ridings—which in some cases were unworkable—abolished Road Boards, and would throw the onus of collecting rates imposed by the Provincial Councils on to the counties. He thought the consensus of opinion was against the establishment of the Provincial Councils. He agreed with Mr. Wilson, that, after all, our system of local government was not so very bad. He thought there was room for improvement, of course; but a great deal could be done if the smaller counties were enlarged, and increased powers given to the Councils. A good deal of organization would be required; but in the present counties they had the groundwork, and it would be much better to work on the basis of the counties rather than to set up big bodies like Provincial Councils. The matter had been so well debated that it was only threshing straw to go over it again. He was thoroughly in accord with what had been said on the matter of education. The Dominion had in recent years evolved a system of education which was really working very well indeed, and he thought it would be a retrograde step to place the control of education in the hands of men not elected because of any qualification for controlling education. These Councils could not control education so successfully as the present Boards did. The same applied with regard to charitable aid. The average man elected to these Councils would not have the experience and skill which a man elected for the specific purpose was calculated to have—he might have, but the chances were that he would not. He admitted that there had been reasons for remodelling our local authorities. If the County Councils had increased powers and responsibilities they could take over a deal of the work of the smaller local bodies within their boundaries. They could do the work with the aid perhaps of outside Committees, although he did not altogether approve of that principle.

Mr. JOHN FISHER (Southland Education Board) said that after so many opinions had been given it was almost impossible to find anything new to say. A great deal of the discussion had been from a more than usual parochial point of view. It did not matter to the Conference whether it was a Liberal, Conservative, or Labour Government which brought down a Bill to give local-government reform. They should look at the matter from a wide point of view. When the Bill was first introduced it was looked on with disfavour by most people. He felt that himself. He thought the setting-up of the Local Government Board was a very good thing. The Governor in Council was an unknown quantity. By the Local Government Board they would have substituted for that person a concrete body to which they could apply, and by which they could expect to have their applications treated in a business-like manner. He did not like the composition of the Local Government Board, but he presumed that that was not a hard-and-fast constitution, and that representations for a more democratic Local Government Board would be acceptable to Parliament. The discussion showed that they all recognized that reform was necessary, and in order to bring about that reform there must be elimination of a number of small bodies, and, in some cases, of large bodies. But the whole of the discussion had taken this form: they were all prepared to sacrifice the other fellow, but they were not prepared to go down themselves. Unless there

was some equality of sacrifice, not much reform could be brought about. They had therefore to face the position of trying to evolve something that would be applicable to the Dominion as a whole, and at the same time conserve the rights of the people to manage their own affairs. Mr. Harley, he thought, was moving in the right direction. Not only were there too many small bodies, but there were too many counties, and he thought they should indicate to the Minister where sacrifice could be made. Those sacrifices should emanate from themselves. If they had not more than forty-two counties in New Zealand, they should have quite enough. He believed, with Mr. Studholme, that the creation of Provincial Councils would tend to elevate the whole system of local government. He did not say he was going to support the principle of the institution of Provincial Councils, but he did say that the creation of Provincial Councils would draw to them the best and brainiest men in the community. They would have men in them from whom in time they would select their members of Parliament. However, he thought they had learned sufficient from the discussion to see that the creation of these Provincial Councils would not eventuate. But if they eliminated a great number of small and insignificant counties, and created between forty and fifty counties, they would have bodies to which it was an honour to belong, and they should have the best men in the community taking their seats upon them. The same applied when they came to the cities and towns. However unreasonable it appeared, he thought they should, as a Conference, boldly set out what they thought should be done. It did not matter what standard they set up, they might depend upon it, it would be criticized and handled pretty severely before it came to take shape in a Bill. If they looked at the Handbook they would see the tremendous size of some of these cities and towns. Waikouaiti, with an area of 2,700 acres, had a population of 688; whereas Newmarket, with an area of 150 acres, had a population of 2,780. He would suggest that all boroughs contiguous to cities or large towns should be abolished by extending the areas of cities' operations as follows: Cities of ten thousand population or over to include the surrounding district beyond the area included within the greater city area existent at the time of the passing of the Bill by five square miles on every side. This would allow of proper town-planning, acquirement of reserves, and prevent slums. It might be said that they were taking in country, but the figures he had given with regard to Waikouaiti surely showed that that was the case even under present conditions. Towns of under ten thousand people should extend their area of influence for a distance of three square miles on every side. Town districts with a population of five hundred and over should be converted into boroughs, and extend their influence two square miles all round. All boroughs under five hundred should merge into the counties; also Drainage and Water-supply Boards. This would mean a certain amount of sacrifice to the community he particularly represented, and he was expressing views after conversation with men who had a good deal to do in connection with these matters. Where two small boroughs were contiguous they should be converted into one—the larger. After what they had heard, he should say that the Education Boards should remain as at present, with larger powers, as stated by the Prime Minister. If thirteen education districts were sufficient for the control of education in the Dominion, he did not see why the same number of hospital and charitable-aid districts would not be sufficient. In these respects there would be a considerable breaking-down in the number of local bodies. There would be a saving of almost two-thirds on existing conditions in the counties, and in cities and towns there would be a considerable reduction. Town Boards and other small Boards would be brought down to a workable number. After all the discussion they had had, he thought the larger Harbour Boards would have to stand. It might be said that by doing all this they were taking away from the people the liberty to manage their own affairs. He did not think so at all. He thought there was a kernel of good suggested in the Bill in the setting-up of Committees. If they embraced all these smaller bodies within the limits of the larger ones they would not do away, as Mr. Macalister pointed out, with the districts. He advocated the preserving of the right of the people to govern themselves largely as at present, and to keep alive that spirit of service for the community as a whole that existed. Each separate area included in any proposed absorption should have the right of the appointment of a committee of advice on all matters pertaining specially to its own area, which committee of advice should present reports, make known the wants of the district, and submit recommendations to the central authority in the district. He would also, in this connection, like to say that he thought there was a great waste in the methods in which the local bodies' accounts and returns were now kept. He spoke on this with some little degree of authority, because he had had some experience in it. He thought the Minister would be able to bear him out when he said that the Audit Department of the country was put to an enormous amount of trouble in correcting the records coming from the local bodies; and the keeping of these records in proper form as required by the Department was a charge made on each of the small local bodies. In connection with the framing of any Bill, he believed it would be possible to enact that every public body should keep its accounts in a particular way, and that it should make its returns to the Government on a uniform system. If that was done, the cost of the Audit Department might be greatly reduced on what it was at present. He had discussed this with the Government Auditors, and believed it was perfectly feasible. It would be infinitely easier for the men who had to deal with the accounts of these bodies if that were made compulsory. With regard to representation, he thought the experience of Education, Hospital, and Harbour Boards, and City Councils showed that efficient and economical administration could be achieved by these larger bodies better than by having a number of small Boards.

Mr. D. J. WILLIAMS (Chairman of the Buller County Council) said that a number of speakers had seen great beauty in the proposed Local Government Board, but none in the Provincial Council. He could not see what use the Board would be without the Provincial Council. Were they to have a Local Government Board over the counties, a Local Government Board over the harbours, and a Local Government Board over all the other numerous bodies?

The PRESIDENT.—No.

Mr. WILLIAMS asked, then, how would it apply? To his mind, the Local Government Board was made possible only by combining so many of these other bodies, and being the head of the combine. The Conference was representative of local bodies, but it was not representative of public opinion. It would, perhaps, be a waste of time to try to defend the setting-up of a Local Government Board and Provincial Councils. Nevertheless, the principle underlying the Bill was, to his mind, the right one. He could not see that the Provincial Council would be such a terrible monster. When they had a body of men elected on a wide and popular franchise, and subject to a healthy and vigorous public opinion, they would not go so very far astray. The best that could be expected from the Conference was that the boroughs would remain as they were, and the counties have some enlarged powers. Hospital management under the present system was undoubtedly good, but the framers of the Bill had had to include various bodies, and there was no reason why the functions of a Hospital Board should not be as well discharged by the Provincial Council that was proposed. The great weakness in the Bill was the proposed change in connection with the national system of education. The Government of the country must find the money for primary education. No localization should be allowed in connection with our schools, and this proposal might be the thin end of the wedge that would ruin the whole scheme. The Education Boards, however, were another matter. If there was one part of the local governing machine that wanted altering and amending it was these Boards. He would consider, for a moment, their election. A meeting of householders was held once a year to elect a School Committee. This Committee was a body of men with no power. There was absolutely no inducement for good men to act upon them; in fact, in many country districts it was impossible to get together enough people to elect a School Committee. Yet to these Committees was entrusted the work of electing the Education Boards. No public interest was taken in the Education Boards. Very few people indeed knew how they were elected; indeed, the method of their election had had to be explained by the President of the Conference to a delegate. It was the boast of these Boards that they were elected by the parents, but he felt safe in saying that not one in fifty of the parents knew anything about the constitution of the Boards. In a large number of districts when a man was elected to an Education Board he was there for life, because there was not enough intelligent interest taken in the matter to have him removed. There were, of course, some very good men on the Boards—men who gave their time to the work; and no matter what the method of representation, these men would find their place on the Education Boards, and deservedly so. With regard to the counties, the framers of the Bill desired to give larger subsidies to sparsely populated districts. This was one of the finest clauses in the measure. There were districts where the population was so sparse that children had to be taken to school by their parents through the bush, there being no track of any kind. This should be remedied, even if it were at the expense of some of the wealthier corporations. He believed that ridings should be abolished, for one simple reason: when a County Council was elected by the whole county they had county men; when it was elected by the ridings they had riding men. If ridings were abolished they would have a better class of men. There was this danger, however: that small areas, thickly populated, might have more representation than their share.

Mr. J. G. ARMSTRONG (Chairman of the Awatere County Council) looked upon it as a waste of time to criticize the Bill. The Minister had not much chance of passing the Bill with the local bodies' consent; he would have to wipe out a large number of small bodies, and they would not consent to it. It would have to be forced on them, and this could only be done by a strong Government with a good majority behind it. He approved of the main principles of the Bill, on the lines of Mr. Studholme's speech. A lot of the details could be very much improved. Whether the Bill was passed or not, the boundaries of the present counties wanted amending. It would be a good thing if a Commission were set up to go carefully into the matter of the boundaries of the different counties and remodel them, altering the boundaries in some cases, and in other cases wiping out the smaller counties and including them in the surrounding counties. This was the best way to get the counties enlarged and placed on a proper working basis. The present boundaries were made forty years ago, before it was known where there would be community of interest. If this Commission were set up, and the boundaries were put in the proper places, a great deal could be done under the present Counties Act. He had not much faith in the Provincial Council passing, but they ought to do what they could to improve the existing counties.

Mr. J. CORKILL (Mayor of Wairoa) thought the country in local matters was really not so badly governed after all, although in a few instances given by the Minister in his speech it appeared that a local body was extravagant and local government was costing too much. The Minister, however, did not go into details, and he (Mr. Corkill) believed that in some of those instances, if the matter were gone into, there would be other factors that would place it in a much better light. So far as he could see, the opinion of the Conference was that no Provincial Council was wanted. To take the town districts first: many of these were in a growing district, and would be cities later on. He thought it a great mistake to cut out these institutions. They were useful, and in many instances were governed well and cheaply. As to the boroughs, there was very little to be said; there was not going to be any provincial control of them. The Harbour Boards in most cases were very large bodies, and did very important work. The few small ones could be made cheaper in the same way as the small towns. They were small at present, but the districts concerned were being rapidly opened up, and later on would become large centres. Then these Harbour Boards would be useful bodies. In any case, the small Harbour Boards could not do much harm. True they had small rating-powers, but a majority of the people must vote for a proposal before it could be carried out. The County Councils, to his mind, were the only bodies the Conference need deal with. There were a number of small bodies in the different counties whose functions might very well be taken over by the County Councils.

County Councillors, as a rule, were picked men, who carried on the important work of the district, and they should, therefore, take over the other work not so important, such as that of the small Drainage Boards, &c. As regarded Hospital and Charitable Aid Boards, these had only quite recently been reorganized by the Government, and appeared to be working admirably. Every member who had spoken almost had remarked that they were doing good work. It would be a shame to disturb the arrangements that Dr. Valintine had given so much time to bring about; they should be given a fair trial. The only bodies, so far as he (Mr. Corkill) could see, that the Conference could deal with were the River Boards, Road Boards, Drainage Boards, and Water-supply Boards. Nothing else, according to the feeling of the meeting as he understood it, was going to be touched.

Mr. J. T. QUIN (Chairman of the Eltham County Council) said he was a representative of a very large area embracing several Boards, and he wished to say a few words, and be as brief as possible. He was against the formation of the proposed provincial counties, and he was opposed to the Local Government Board. He was in favour of the enlargement of the existing County Councils with community of interests, so that it would not be possible for one county to tax another in the way of subsidy or toll-gates. There should be absolute community of interests. In his district they had got one county in which there was some of the finest land in New Zealand, yet they had no outlet to the railway-line except by going over the roads of other counties, and, as a consequence, they were penalized to the extent of four toll-gates at the present time; whilst a Commission was then sitting with the object, if possible, of establishing another toll-gate. That position should not be allowed, and counties should be permitted to so amalgamate as to produce community of interest where such was considered necessary, with the consent of the small bodies. In that way the counties could levy the first cost for the maintenance of the main arterial roads, and afterwards put a special rate on the by-roads. He had had many years of experience in this connection, and he had not yet found a county in which the boundaries admitted of anything like a fair adjustment. Speaking of representation as regards the counties and the proposal in the Bill, he was against the abolition of the ridings; that would tend in small congested areas to the election of men in a small portion of the county, and not one of them might be a ratepayer. The Education Boards should be allowed to remain as they existed at present. He maintained that Education Boards were not masters; they were merely employees, and the Teachers' Institute overrode them all. That wanted amending. As a matter of fact, there was no possibility of removing a teacher directly, and the indirect way was to remove the children from the school. As regards hospitals, he was in favour of centralization. Small hospitals were not in the true interests of the community. In such cases it was difficult to get good medical men, and sometimes the nurses and staff exceeded the number of patients. That should not be. Where there was railway communication there should be only small cottage hospitals connecting as depots. They wanted the best buildings, the best staff, and fair representation for each district. He would not say that the Bill was all bad. The finances of a county should be secured. The law should be so amended as to permit the Public Trustee, out of moneys received by him under the West Coast Settlement Act, to be kept by him and paid to the County Councils. At present the Natives were using the roads, milking, and sending their milk to the factory; but they would pay no rates. The collector would be told that the owner was dead, was at the Bay of Islands, or somewhere else. Before anything could be done the consent of the Native Minister had to be obtained, and he had the power of veto. That wanted amending. It was not proposed to penalize any Native in the centre of the Island who had areas that were not roaded, and from which they were deriving no benefit, but they should, when they had the advantage, pay the same as a white man.

Mr. MASON CHAMBERS (Chairman of the Hawke's Bay County Council) said he had been asked, on behalf of the Hastings Borough Council, to object to all the clauses in the Bill that would bring them within the scope of the proposed legislation. It was unnecessary to enumerate the clauses, and he did not intend to traverse the whole question that had been discussed. He would touch upon one question that no other member of the Conference had dealt with, and that was the disintegration of counties. There was no doubt that the law existing at present had a tendency towards dividing up counties. The subsidy system alone was a strong inducement for a large county to divide into two. In the event of a county dividing into two or three counties, then it got two or three times as much subsidy as before. The same thing applied to branch Boards. The County Council had no power to strike a rate for a drainage area, and the only possible chance a drainage area had was to form itself into a separate body, which tended at once towards the multiplication of local bodies. He thought it was unnecessary that he should dwell further on the subject.

Mr. WILLIAM HATHAWAY (Chairman of the Stratford County Council) congratulated the Chairman on his speech. When he first scrutinized the Bill he thought it was a misnomer, because it should have been entitled "The Local Bodies Confiscation Measure." He would tell them why. Under the Bill with regard to the Provincial Councils and County Councils they had a rating-power of $2\frac{1}{2}$ per cent. on the capital value. The County Councils were not composed of fools; but he questioned very much if Provincial Councils would not compel the county to collect their $1\frac{1}{2}$ per cent. He would not detain the Conference long, but he would put a few figures in front of them as to the position of the Stratford County Council: General rate for the whole county, 1911-12, nearly 2d. in the pound on the unimproved value; for the North Riding, 2d. in the pound; for the South Riding, $1\frac{1}{2}$ d. in the pound; for the East Riding, 2d. in the pound; for the West Riding, 2d. in the pound; for the Mangaehu Riding, 3d. in the pound. Amount raised by loans: Under the Local Bodies' Loans Acts, inscribed amount, £122,667, under the New Zealand State-guaranteed Advances Act, £7,040; pound for pound subsidy on loans received from the Government, £7,440. (The above was from April, 1903, and did not include Mangonui

Road Board subsidies.) Amount contributed to hospital and charitable aid: Ordinary, 1911-12, £655; capital, 1911-12, £235. Amount of 10-per-cent. fines on unpaid rates—1911-12, £231; 1910-11, £274; 1909-10, £187: total, £692. In his district metal was expensive, they having paid from 5s. 6d. to 14s. 6d. a yard for metal for repairs. From the foregoing any one could see the position of the county financially, and ascertain the debt per head. Now, if they imposed the tax that would be imposed upon those people by the proposed Provincial Councils, it meant ruination, and nine-tenths of the people would have to go out of the country. Then they had a system of land exchange which fattened and played into the hands of commission agents. There were a number of uneducated people in the district, and so a commission agent with a good "gift of the gab" was able to paint and illustrate some transfer in such blazing colours as to dupe the purchaser, and the agent cared for nothing but the commission. He knew of a section that was valued at £10 per acre, and yet, through the machinations of a commission agent, it was actually sold for £30 an acre. That man would be called upon to pay 16s. per acre in the way of taxes. It was a different matter in districts where every acre could be ploughed, or where 100 acres of land would carry sixty cows. Stratford was a poor country, although it produced a lot because its settlers were energetic. The west coast had contributed much to the prosperity of the Dominion, but roads were badly needed. If they did not get facilities for making roads within their own district, it meant the closing of the creameries. When Sir Joseph Ward was laying a foundation-stone at Stratford he brought the position of the Mountain Road under his notice. The Government had carted the whole of their cement on that road, and cut it up.

Mr. H. J. SLADE (Chairman of the Hobson County Council) said that he represented Marsden-Kaipara, and he therefore came from the far and what had been the neglected north. He had been sent down to vote against the proposed system of Provincial Councils, and for the maintenance of the existing system of charitable aid and education. Those should not be interfered with. He had many notes, but, as much that he had to say had been covered by other speakers both to-day and yesterday, he did not propose to traverse the same ground. The time had come when their Committees should be set up and some work done. He did not think they would get much more out of the debate.

Mr. HENRY BIGNELL (member of the Grey Hospital Board) remarked that he had learned a good deal in reference to local government generally. In his opinion, to do away with Education Boards and place them under the proposed Provincial Councils would be a retrograde step. The Education Board of which he was Chairman was administered most economically, the cost of administration for the last two or three years being between 5 and 6 per cent—not a very extravagant amount. County members were paid reasonable travelling-expenses, but the town members got nothing, and did not look for anything. They were satisfied to carry on the work in the future as in the past, in the interests of education. It would be suicidal to remove the management of education from such gentlemen and place it under the control of Provincial Councils, whose interest in education would be secondary to roads and bridges. Generally, counties should remain as at present, but he would like to see them given extended powers, something more like municipalities. He was unable to speak of Road Boards authoritatively, as there were none in the district he represented. Judging by the discussion, Road Boards had done excellent work in the past, and did it gratuitously; they would continue to do so in the future; so why abolish them for Provincial Councils, with their several Boards or Committees? The proposal to establish Provincial Councils was a retrograde step, which went back to an obsolete system that had been swept away many years ago. He was able to say that the members of the Charitable Aid Board in his district carried out the work satisfactorily. The same could undoubtedly be said of the local hospital, and Dr. Valintine would bear him out in that respect. He could see no reason why such institutions should be abolished. It might be said possibly that extended areas should be given to County Councils. Educations Boards, Charitable Aid Boards, and County Councils should have extended powers. Lighting, for instance, was now in private hands, and County Councils should be empowered to undertake such utilities. He would not vote for the abolition of ridings in a county.

Mr. WILLIAM RITCHIE (Chairman of the Waitotara County Council) said he would oppose the formation of Provincial Councils, and would give his reasons. He noted that it was proposed to bring under the management of the provincial counties the various bodies such as Education Boards, Hospital Boards, counties, and all the small fry, such as Drainage Boards, &c. He would not deal with education, as it was a long time since he made the acquaintance of a schoolmaster. He had experience of Charitable Aid Boards, and it would be a mistake to disturb them, seeing that the legislation passed two years ago was working fairly well. The multiplicity of small hospitals was a mistake, and in that respect he was in agreement with Dr. Valintine. When possible, centralization was best for hospitals. The counties could do all that was required, and he was not sure about abolishing any of them, or amalgamating them. That question did not apply to his district at all. They were not in such a poor position as some of the croakers would have them believe their own finances were in. They were never in debt, and he was not crying out very much about subsidies. The Councils should get such extended powers as would enable them to cover the ground proposed to be covered by the Provincial Councils. As to Road Boards, he was inclined to think that some of them did good work, and yet a lot of them did very bad work. There was one thing in regard to the expenses of running a Road Board—it had only a small revenue, and could not employ a permanent engineer to plan and supervise its work. They had to call in an engineer if there was a bridge to be planned, with the result that half of their income went that way. That should be remedied in some sort of way, and he thought that no body should be in existence in the shape of a Road Board or County Council that could not employ an engineer at the rate of something between £300 or £400 a year. Supervision was badly needed,

as members of some of those Boards could not tell a plan or a specification when they saw it, and did not know when the work was properly carried out. Members of Road Boards had passed work that was not half done—work that was slummed. Some reform in that direction should be brought about, either by absorption into the county or combining together. The abolition of ridings, he thought, would be a mistake, not for financial purposes, but for election purposes. It had been mentioned that a corner of the county might return all the members and get all the pickings. Whether that was likely to be so or not he did not know, but he thought the ridings should be kept not merely for the matter of accounts, but for election purposes.

Mr. J. G. RUTHERFORD (Auckland) did not intend to take up time in traversing ground already covered, especially as they would have an opportunity of expressing their views when the Committee brought in its report. His only reason for speaking was that the Manukau County had never been worked as a county, but had been worked by two Road Boards. It seemed to him there could be no question that the Road Boards in the past had done good work, and if they were to give place to anything he should like to be sure that it was to something better. It should be remembered that the Road Boards had done the cheapest work, as they had done their work for 15 per cent., while some of the municipalities had run up to 30 per cent. What he wished to refer to was clause 3 of the Bill. In that clause the representation on the Board was to consist of the Minister, three Under-Secretaries, and three members to be appointed by the Governor. In his opinion, the last three members should have been elective. If the Government of the day appointed four of the members of the Board, the other members should be elected by the people.

Mr. R. T. WRATHALL (Mangonui) said that many months ago, when the Bill was first submitted to the local bodies, he had come to the conclusion that it was very much in the interests of the community that the Bill should be adopted almost in its entirety. This was not in accord with the opinion expressed by many of the speakers at the Conference, who had criticized the Bill adversely, but, in his opinion, had failed, because their denunciations of the measure had been quite illogical, and their arguments had been conflicting. He thought that even in Great Britain the people were in favour of a form of Provincial Councils, a portion of the functions of which should be the carrying-out of the system of education. In addition to being Chairman of the County Council, he was also Chairman of the School Committee in the far north, and he had had the pleasure, or the displeasure, of electing members of the Education Board, and all must admit that the manner in which members of the Education Board were selected was unsatisfactory. There was no member of School Committees present who had known anything at all about the qualifications of the members of the Board they had been called upon to elect.

Delegates: Oh, oh! That is not so.

Mr. WRATHALL replied that, at any rate, he had never known anything as to their qualifications, and he had been Chairman of a School Committee for a very long time. He had often balloted for candidates, but had never known anything about them. On the other hand, if the control of education were transferred to a Provincial Council they would have an opportunity of putting their views before the candidates, and he thought they would be able to get better representatives. Regarding County Councils, the Provincial Council would undoubtedly do Mangonui a lot of good. They held the unique position of having no through roads, and they were the goal of the Dominion. They were going to be the terminus of the Great North Road, the terminus of the Main Trunk line of railway, and their county was to-day the binding link of the Empire, since they had the Pacific cable-station there. It had been stated on the previous day that the Provincial Councils would be bad because the interests of the cities were against the interests of the country, but that statement had been very rightly challenged: there was identity of interest as between city and country. He would support almost absolutely the Bill as proposed.

Mr. T. KENNEDY (Chairman of the Westland Hospital Board) had listened with great interest to the different views expressed by the delegates, and the conclusion he had come to was now quite different from the one he entertained when he arrived in Wellington. At that time his opinion was that the Bill was going to have a flying passage; now he thought it was going to be productive of much good, although the Bill would not be accepted in its entirety. The result of the Conference would be that the Minister and his colleagues would be given a good base, through the different delegates assembled, for what really was required. No doubt a certain amount of reform in local government was needed, but he thought the Bill in some things went rather too far. For instance, he did not think education would benefit by being handed over to Provincial Councils. Education as now carried out could not very well be improved upon. Nor did he think that the functions now administered by the Hospital and Charitable Aid Board could be bettered. One reason he would like to see these bodies last longer was that they had only been in existence something like two years, and in many part of the Dominion the different Boards were really only getting to know what their functions were, and to get the best results from their knowledge. As to harbours, of course it was only proposed to deal with small harbours, and, coming from a place where there was a very small harbour, he was quite convinced that the small Harbour Boards could be done away with, and their functions exercised by the Borough Council or the County Council with equally good results. While on the question he was sorry to say that he did not see included in the proposal one local body that, although it was not a governing body, was an elective body, and a very expensive one. He referred to the Licensing Committees. He thought these Committees could very well be done without, and their duties absorbed by some of the other bodies. To show how expensive these Committees were, he might mention that the election of the Westland Licensing Bench had cost a small borough like Kumara £50. That was a very large sum for this purpose, and he ventured to assert that the usefulness of the Licensing Committees was not sufficient to justify the expenditure. On one occasion the Committee had granted a license, and the Magistrate had held that decision up for three months by refusing to issue the certificate. That showed the Committee was not a very useful body. He was in favour of keeping the ridings in

the counties, and did not think the work would be better done if the ridings were abolished. In conclusion, he sincerely hoped that something good would come from the Bill, and thought that good must come from its discussion by the delegates.

At this stage a delegate rose and suggested they should close the discussion and get on with the business. The President said he was about to call upon Mr. Storry, who had first risen. Mr. Storry said he had risen to make the same proposition, and this was indorsed by several other delegates.

Mr. E. MAXWELL (Taranaki) said it seemed to him that practically there was one thing they had to deal with—the finance of local bodies. The question of grants had not been sufficiently emphasized; the failure was not on the part of the local bodies' administration, but on the part of the Central Government. He had always regarded this as a great failure of duty on the part of the Government, and in this he was not referring to a particular Government, but to Governments generally. The opening-up of new lands was the greatest source of trouble to local bodies. When land was opened up, in the first place it ought to be properly roaded, and if this were done it would effectually do away with the vicious principle of political grabs. If the Central Government did its duty, it would road each block of country that was opened up for settlement, and as settlement advanced the roads, properly formed and metalled, should be handed over to the local Boards. In that way the country would become immediately productive; but as it was they had to wait ten or twenty years before getting any rating value. His proposal would be very beneficial to the State by increasing the progress of the country generally, and it would do away with the whole vicious principle of political grants. That seemed to be the great trouble. The only other point he desired to mention was the question of subsidies, though he was not going to refer to that at length. Some reference had been made to this, but it was not a question for local government. The Central Government should set up a non-political Board, appointed by Parliament, and independent of the Ministry of the day, to decide what public works were necessary and what grants should be made to the various bodies. They would then really get local government

The PRESIDENT (the Hon. G. W. Russell) said,—Gentlemen, I think before putting the question to you—namely, That the Bill be considered—it may not be improper if I make a few remarks, after listening very carefully to the discussion which has taken place. I would like, first of all, to refer to two or three points that have been raised by various speakers. Regarding what the gentleman who had just sat down—Mr. Maxwell—has stated, as to the proper roading of the land before it is settled, I think you will agree with me that the principle that should be laid down respecting that matter is this: that the main roads to the block should certainly be opened out before the settlers are placed upon the land, and that the opportunity should be given to the settlers of making the side roads and the district roads, so that they may be helped in the early stages of the settlement to pay for their lands. I think that is a sound principle upon which the work should be carried out. I would now refer very briefly to one or two other matters in the discussion that took place this morning. First, I should like to refer to a remark by Mr. Corbett, the delegate from Ohinemuri, who said that his district desired an assured finance. Now, I think that if every district in the country had such an assured finance as the Ohinemuri County has there would be no need for a Conference of this kind. You are no doubt aware that there is a law under which the goldfields districts take the revenues that are received from gold duty; and when I tell you that the county which Mr. Corbett represents received during the year ending 31st March, 1911, £7,942 for gold duty, and that its interior borough of Waihi received £23,004, or a total for the whole county and its interior borough of £30,946 in one year, you will see that they have a pretty well assured finance. And now I want to refer for one or two minutes to a speech made by Mr. Allen, because in that speech we got so near to party politics that I think it only right I should refer clearly and pointedly to the position that was then set out. Mr. Allen stated that the Government sent round requests to the public bodies to state what their requirements were, and after it had obtained the lists of those requirements those bodies heard nothing more of the matter. Some gentleman in the audience—I do not like to say, but I think I know who it was—said, "Who is your member?" and when the request was made I was not at all surprised to hear the reply that came back—that his member was Mr. Massey. It looked, though I do not like to say so, as if there had been a little prearrangement in that case.

A voice: No, no.

The PRESIDENT.—Well, I am going to deal with the position from the suggestion made by that question, and the answer given. It is but right, on behalf of the Government of which I am a member, and the party to which I belong, that the position should be clearly stated. During the year ending 31st March, 1911, the Manukau County, which was the county under discussion, received in subsidies from the Government, in ordinary subsidy and special subsidy, the sum of £1,500; and there were only forty-three counties in the entire country which received more than £1,500: all the rest received less. I will take the electorate represented by one of the leading members of the Opposition—I refer now to Mr. Herries—and I find that in the electorate he represented at that time there were the Counties of Opotiki, Whakatane, and Tauranga. These three counties received in subsidies and grants £7,545 in one year. Now, *per contra*, I take the case of the part of the country from which I come. The County of Manukau, in which Mr. Allen resides, has a rateable value of £4,211,739, and received £1,500 in subsidies and grants in that year. The County of Selwyn, which happened then to have been broken up, and which returns to Parliament four or five members who were supporters of the Government, at that time had a rateable value of £8,715,971, and it received the munificent sum in subsidies and grants from the Government of £244. I think I have now said sufficient on that point to clear up any idea such as that there has been a differential treatment unfavourable to Opposition members, and I may say, to the credit of the members of the Opposition, that it has been recognized in the

House time after time that there has been no discrimination against members of the Opposition so far as public works, subsidies, and grants are concerned. Dealing with the discussion of the Bill as a whole, I may say I think we have had a most illuminating and interesting discussion, the net result of which I think is that it is quite possible for me to form a pretty clear idea as to the decided opinions of this Conference. I think I shall be right if I interpret your feelings at once, gentlemen, as saying that you desire education to be eliminated from this Bill. It is further clear that you desire hospitals and charitable-aid administration to be eliminated from these proposals. It is also clear that the large harbours of the country, with their huge debts, cannot be included under any provincial scheme; because no statesman or financier would think of starting any public bodies in the country crippled with such heavy debts. So, gentlemen, having eliminated three great things—education, hospitals and charitable aid, and harbours—the provincial scheme has absolutely disappeared from the vision. But in listening to this discussion, and especially to the remarks made by Mr. Studholme, Mr. Fisher, Mr. Harley, and other gentlemen, I have been greatly impressed with what I believe is the substantial feeling of the Conference—namely, that if we are to get our local government on a thoroughly sound and scientific footing the counties that are to remain in existence must be enlarged, and, in order to secure that result, there must be taken away altogether the financial inducement by differential rate of subsidy which now exists, and causes counties to be set up that have no business to be constituted. I think the suggestion made this morning by Mr. Fisher, of Southland, is a most valuable one—namely, that an independent Commission might be established, possibly one for each Island, which would have the responsibility laid upon it of seeking to regroup the counties, so that instead of our having the farcical number of 133—many of them nothing but glorified Road Boards—we might get a scientific reduction down to forty, or at the outside fifty, and have really strong bodies, which would take the place and do some of the work that was proposed to be done by the proposed Provincial Councils. I have been very pleased indeed to hear that the explanation I gave regarding the Local Government Board has weighed with the Conference, and that the majority, I believe, of those who are now here see that the proposal for a Local Government Board is not revolutionary, but really an attempt to place upon broader shoulders than those of the Minister of Internal Affairs the responsibility of dealing with a multiplicity of questions that come before him from day to day in connection with the local government of this country. Gentlemen, I am not one who trembles at responsibility, but I may tell you that if the public at large had any conception of the constant inquiry that is made by the Department of Internal Affairs—which is only one of the Departments I control—in seeking to arrange matters as between the conflicting interests of local bodies that crop up in the rural districts and in the boroughs, and the dealing with the multiplicity of matters, some of them of minor detail, though of considerable importance to the local bodies concerned, they would realize with what happiness I should look forward to the possibility of having a Local Government Board with three departmental experts and three or four outside gentlemen that could be called upon to give me assistance and advice as to many matters regarding which I cannot make the inquiry that is necessary. I think the proposal made in that direction will be acceptable to the Government, and I can assure you it will be my firm determination, believing as I do in local self-government by the people to its extremest and most absolute condition, to see, if the responsibility is laid upon me, that there shall be no infringement whatever of the rights and responsibilities of the local governing authorities, either in the law relating to the establishment of that Board, or after it has been set up. Now, I think the speeches that were made by the Mayor of Auckland, the Mayor of Wellington, the Mayor of Dunedin, and other gentlemen who have taken great interest in connection with local government as it affects the cities, must have impressed us with the fact that the great cities, growing as they are rapidly into positions of pride and place in this country, are not disposed to allow any interference whatever in connection with their own position as local self-governing bodies. But I think we must recognize that the time may come when possibly the cities will be forced to realize the truth of what was stated by Mr. French yesterday—namely, that the responsibility of a great city does not end as soon as it reaches its own front door. We realize that our great cities must be strengthened and maintained; but what are these cities unless the development of the back country is going on in order to provide employment for their industries, and customers for the stream of commerce that is constantly passing through them? As Mr. Studholme so eloquently pointed out this morning, the idea and intention of the Bill—as I also endeavoured to point out yesterday—was to bring about some real community of interest between the cities and the more distant parts of the country. It may be said, as I admitted, that the proposals of the Bill go too far in that direction, and it may be possible that if we made strong counties, just as we are going to have strong cities, we may in the future find some method of grouping up city and country together, but in the meantime there is only one way in which we shall be able to reach them. And that is this, gentlemen: as a very large portion of our people live in our cities, while the system of subsidies to local bodies continues the cities are helping to provide their quota of the subsidy which the country districts are helping to expend. So that there is still hope for Franklin in that direction; and if they could not get money out of the City of Auckland, the General Assembly might be able to help them by increasing the subsidy for distant and out-scattered districts. This enables me to come back to the proposal I made in my speech, and which I trust the Finance Committee will consider—namely, whether a plan I sketched of following the New South Wales plan and dividing the local bodies into six grades is not desirable. Those grades would vary from the well-roaded prosperous districts such as my friends representing Canterbury know so well, where they have got railways running through their territory and roads made, largely out of the land revenue of days past and days when good subsidies were being received, to the bush and swamp districts of the North Island, where the metal placed on the roads costs 10s. and 12s. a yard. I think you will agree with me that the principle laid down, and which I trust will be indorsed—namely, that subsidies in future should be based on a careful consideration of the necessities—is absolutely sound, and one which I hope

any Government which is in power will have carried out and given effect to. If that principle is carried out we ought to be able to sweep away the whole of these extra roads-and-bridges grants, excepting so far as it may be necessary to carry out the unfulfilled obligations of the Government in not making the main arterial roads up to the lands they had sold and received the money for. I think the obligations on the part of the State should be absolutely carried out, and I trust that that will be, under the authority of the Public Works Department, one of the first works undertaken—namely, that every man who has bought land and paid for it shall have the guarantee of the State carried out that there shall be access given to him for his products to be exported and the necessaries for his family brought in. I think we may say, as far as the ridings are concerned, it is your clear opinion that ridings shall continue, and that the right of the electors or the Councils to say whether there should be riding accounts whilst there are ridings shall be a matter left to the Councils themselves, and shall not be interfered with by legislation. I should be sorry if the story our friend from Taranaki told us about toll-gates were to become general throughout the Dominion. I was surprised a little while ago when visiting that beautiful province to find toll-gates at successive stages placed across the main road, because I remember hearing a number of years ago how some young bloods, who must have been meant for Territorials, knocked down the toll-gates. The mere fact that there were toll-gates in this age of the world's history in order to stop passage from one district to another was absolute proof and demonstration that the reform of local government was absolutely necessary. May I say, with reference to the question of cities and towns, that I think one of the most important functions that this Conference can have will be in suggesting, if necessary, means by which the greater cities may group to themselves the suburban population. Christchurch had already done this. It has not only added the surrounding boroughs, but these also have drawn to themselves a large portion of the surrounding counties, and Christchurch is now a very large city. I understand Wellington has done the same in several directions, and Auckland, I believe, hopes and proposes to do the same. If any direction or suggestion from this Conference will show the way of making it easier for the big cities to group within themselves the surrounding areas, I, as Minister of Internal Affairs, will facilitate that work. Not only so, but I sincerely hope that the same process will be applied to some of the second-class towns. The other day, in going through the Victorian statutes on local government—because I might say, in passing, that in order to understand this question I have studied not only the local-government laws of New Zealand, but of the neighbouring States also—I noticed that over there they lay down that when a town acquired a population of 20,000 it is entitled to be called a city. I do not know that we have that in our law; but I would like to see a race starting from to-day as to which is to be the next city in New Zealand—whether it should be Nelson, Palmerston North, Invercargill, Timaru, or Wanganui. At any rate, I think we want to facilitate and assist the grouping of our younger towns in order to raise them to the rank of cities. I would like to say that the franchise is a difficult problem. You have already in the cities the recognition of the residential vote, and when once any franchise has been given to any section of the body politic it is never possible to take it away. There are some things that you can do, but when once men and women have got the franchise it is unheard of in political history that that franchise is taken from them. So far as county franchise is concerned, I am not going to express an opinion. That is a matter that I think, whatever this Conference does, will be fought out very vigorously on the floor of the House of Representatives, and, as the fight will really take place there, I do not think it would be wise on my part at this stage to express any opinion. I do not know that there is any further subject for me to speak on. I have taken full notes of the discussion that has taken place. I most sincerely thank the Conference for the fine spirit shown during the discussion, and say that I think the effect will be educative not only so far as the country but also as far as the Government is concerned, and, I hope, as far as Parliament is concerned. I hope also that after our labours are finished I shall be able, with the assistance of my staff, to formulate a measure which will have a chance of going through Parliament, and which, though it will not accomplish such a large measure of local-government reform as was proposed in the Local Government Bill, will be the means of improving in many ways local government throughout this country. (Applause.)

Mr. E. ALLEN (Auckland) said he had no intention of introducing party politics into the Conference. He had no idea who the interjector was, and he would be the last person to introduce party politics.

Mr. LIFFITON (Wanganui) said, in view of the fact that the Minister had thanked the Conference for the fine spirit in which the Conference had met him, he would move, "That this Conference record its hearty thanks to the Hon. Mr. Russell, Minister of Internal Affairs, for the fine spirit and friendly and straightforward manner in which he had controlled the Conference."

The motion was carried unanimously, by acclamation.

Motion, "That the Local Government Bill be now considered," agreed to.

COMMITTEES.

to consider and report on the various subjects contained in the Bill, the President being *ex officio* a member of each Committee:—

(No. 1.)

LOCAL GOVERNMENT BOARD (Provincial Councils and Subsidies, Grants, and Finance).—Messrs. John Fisher, Waikato; E. Maxwell, Taranaki; E. N. Liffiton, Wanganui; F. Cowper, Waipawa; J. Corkill, Wairoa; Dr. J. C. Collins, Cook; J. T. Quin, Hawera; J. G. Armstrong, Wairau; H. Everett, Nelson; T. Kennedy, Westland; J. Studholme, Ashburton; R. Milligan, Waitaki; H. M. Driver, Otago; William Macalister, Southland; H. J. Middleton, Southland; R. Moore, North Canterbury.

(No. 2.)

MUNICIPAL (with Special Relation to Inclusion of Contiguous Districts and Town-planning).—Messrs. C. J. Parr, Auckland; M. C. Coyle, Auckland; H. Lowe, Thames; J. A. Nash, Palmerston North; J. W. McEwan, Wellington; David McLaren, Wellington; J. Wilson, Otago; D. Stewart, Otago.

(No. 3.)

COUNTIES, ROAD AND TOWN BOARDS (with Special View to Abolition and Amalgamation of Minor Local Bodies and Enlargement of Counties, and Dealing with Small Harbours).—Messrs. H. J. Slade, Kaipara-Marsden; H. R. French, Auckland; E. Allen, Auckland; John Bailey, Waikato; William Hathaway, Stratford; Mason Chambers, Hawke's Bay; A. E. Jull, Hawke's Bay; W. J. Welch, Wairarapa; A. D. McLeod, Wairarapa; C. J. Harley, Nelson; J. Bruce, North Canterbury; R. Evans, North Canterbury; J. Storry, North Canterbury; W. S. Maslin, South Canterbury; C. N. Orbell, South Canterbury; A. S. Orbell, Otago; John Fisher, Southland; H. M. Corbett, Thames; D. J. McEwen, Bay of Plenty; J. Brown, Taranaki; H. Bignell, Grey.

(No. 4.)

HOSPITALS AND EDUCATION: What alterations are desirable in connection with existing bodies and control of education in all its aspects?—Messrs. R. T. Wrathall, Bay of Islands; H. Schofield, Auckland; J. G. Rutherford, Auckland; G. J. Garland, Auckland; William Ritchie, Wanganui; K. S. Williams, Waiapu; James Trevor, Wellington; Robert Lee, Wellington; F. W. Venn, Wellington; D. J. Williams, Buller; M. Dalziel, North Canterbury; J. H. Davidson, North Canterbury; F. Horrell, North Canterbury; H. O'Neill, Otago; J. H. Walker, Otago; John Smart, Vincent; J. G. Wilson, Palmerston North.

The Conference adjourned at 4 p.m.

THIRD DAY.

THURSDAY, 23RD MAY, 1912.

The Conference resumed at 11 o'clock a.m., there being present: The President (the Hon. G. W. Russell), Mr. J. W. Black (Minister's Private Secretary), Mr. J. Hislop (Under-Secretary for Internal Affairs), Mr. H. J. W. Blow (Under-Secretary for Public Works), Mr. M. Fraser (Government Statistician), Dr. Valentine (Chief Health Officer), Mr. W. Jolliffe (Law Draughtsman), and the members of the Conference, with the exception of Mr. Macalister.

The PRESIDENT.—I understand that all the Committees have completed their work, and prepared their reports. I think we are under a deep debt of gratitude to them in the fact that the Committees have been so expeditious in getting through the work between yesterday evening and this morning. The various reports are being printed as rapidly as possible, and I would like to take the sense of the Conference as to whether they will go on straight away or wait for the reports to be printed.

It was decided to await the printed reports, in order that members might have an opportunity of perusing them before they came up for discussion.

The Conference accordingly adjourned until 2 o'clock p.m.

REPORTS.

The following reports were received from the Committees:—

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 1.

The Committee to whom was referred "Local Government Board," "Provincial Councils," and "Subsidies, Grants, and Finance," have the honour to report that they have considered the same, and recommend that the resolutions annexed hereto be acceded to.

23rd May, 1912.

H. J. MIDDLETON, Chairman.

Resolutions.

1. That this Committee is in favour of the formation of a Local Government Board to take over and exercise the functions of the Minister and the Governor in Council.

2. That the Local Government Board consist of three members appointed by Parliament for a fixed term of not less than five years. That members of Parliament shall not be eligible. That the Minister be a member of the Board *ex officio*.

3. That this Committee does not agree with the establishment of Provincial Councils.

4. That this Committee is wholly opposed to the present method of distribution of public moneys by way of promiscuous grants for roads, bridges, and such other works, and favours the substitution of a system of increased subsidies on some definite principle.

5. That while this Committee is entirely opposed to the continuance of the present system of promiscuous grants, at the same time it is of opinion that the Government should faithfully carry out all engagements or obligations for works that it has already committed itself to, and the Committee appreciate the Hon. the Minister's promise in this respect.

6. That the Committee strongly emphasize its opinion that the complete roading of new lands simultaneously advance with the settlement thereof. Such roading to be carried out at the cost of the General Government.

7. That this Committee is of opinion that the system of subsidies should be regulated by the necessities of the district rather than by the amount of rates that may be collected. That Parliament should annually decide what sum is available for subsidies to local bodies, and should set aside such a sum for this purpose. That this sum so set aside should then be divided among the

local bodies on a definite principle. That the system this Committee would recommend the Government to adopt is the one that has been in force for many years in New South Wales, and which has been outlined by the Minister in his address. That this recommendation is made without prejudice to the interests of cities and boroughs.

8. That it be a recommendation from this Committee that all local bodies be authorized to invest their own sinking funds through their own Commissioners, excepting such loans as are granted by the Government Advances Board, and that any section of any statute providing otherwise be repealed.

(1.) Should the sanction of the Local Government Board be necessary before a loan is obtained?—That, in the opinion of the Committee, the sanction of the Local Government Board be not necessary before a loan is obtained.

(2.) Should the power to borrow be in any way limited, and to what degree?—That the powers to borrow should be limited only by a vote of the ratepayers.

(3.) Should all local loans be obtainable only from or through the State-guaranteed Advances Department?—That it is desirable that increased facilities be granted for obtaining from the State-guaranteed Advances Department all loan-moneys authorized to be raised by the ratepayers; but that, failing the advance of any such loans by this Department, it be admissible for the local body concerned to obtain the required loan elsewhere.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 2.

The Committee to whom was referred "Municipal, with Special Relation to Inclusion of Contiguous Districts and Town-planning," have the honour to report that they have considered the same, and recommend that the resolutions annexed hereto be acceded to.

C. J. PARR, Chairman.

Resolutions passed unanimously by Committee No. 2.—"Municipal, with Special Relation to Inclusion of Contiguous Districts and Town-planning."

1. *Cities.*—That, in view of the fact that the cities and large boroughs of the Dominion have special circumstances and liabilities in their administration, due to most of them conducting electric tramways, light, gas, water, and other trading ventures which differentiate them largely from other local bodies, we are of opinion that such cities and boroughs cannot, without serious injury to the community, be incorporated in the proposed Bill, and this Committee is of opinion that they should be excluded therefrom.

2. *Suburban Boroughs.*—That we are of opinion that the suburban boroughs of the Dominion should not be included in the proposed provinces, such boroughs being satisfied with the powers of administration conferred on them by the Municipal Corporations Acts, and being desirous, when their burgesses so wish it, voluntarily to amalgamate such suburban boroughs with the cities.

3. *Smaller Rural Boroughs and Road Boards in Cities.*—That with respect to the smaller rural boroughs and those Road Board districts adjoining the cities or forming part of the suburban area of the cities or boroughs, this Committee is of opinion that the Government should set up a Commission of Inquiry under the Commissions of Inquiry Act to report as to which of these bodies can, in the public interest, be amalgamated with the counties or adjacent boroughs, as the case may be. This Committee expresses the view that such amalgamation in many cases is desirable, and should, if necessary, be compulsorily effected.

4. *Subsidies.*—That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties.

5. *Town-planning.*—That this Committee is of opinion—

(a.) That special legislation to provide for town-planning is urgently required.

(b.) That in particular it is necessary in the public interest that the subdivision of suburban areas for settlement should be more strictly supervised than hitherto.

(c.) That any town-planning authority should be representative of the local authorities affected, or likely to be affected, with the addition of special experts on the subject.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 3.

The Committee to whom was referred "Counties, Road, and Town Boards, with a Special View to Abolition and Amalgamation of Minor Local Bodies and Enlargement of Counties," have the honour to report that they have considered the same, and recommend that the resolutions annexed hereto be acceded to.

Wellington, 23rd May, 1912.

A. E. JULL, Chairman.

Resolutions.

The Committee set up by the Conference to consider Counties, Road and Town Boards, with Special View to Abolition and Amalgamation of Minor Local Bodies and Enlargement of Counties, have the honour to report that they have carefully considered the same, and beg to make the following recommendations to the Conference:—

The Committee proceeded to business on the assumption that the proposed provincial districts be abolished.

1. *Domain Boards.*—The Committee recommends that all Domain Boards within counties be vested in County Councils or municipalities.

2. *Road Districts.*—The Committee recommends that the present dual system of control by counties and road districts should cease, that the county system be the system that should be retained, and that due regard should be given to the interests of the districts now under the control of Road Boards with regard to representation and otherwise.

The Committee also recommend that in the meantime some simpler method be adopted for merging Road Boards into counties than at present exists, such as by taking a poll.

1. *Town Districts.*—The Committee recommend that all town districts with a population of five hundred and upwards be formed into boroughs; that all town districts with a population of under five hundred be merged into counties, provision being made in the Counties Act for the establishment of local Committees, by election or otherwise, to administer under the control of the County Council; that the counties should have the power now exercised by the present town districts, which may be delegated to committees.

2. *Cemetery Boards.*—The Committee recommend that the same provisions of administration as recommended to apply to Road Boards should apply to Cemetery Boards.

3. *River Districts and Drainage Districts.*—The Committee recommend that river districts and drainage districts that operate within the confines of a county be abolished, and the duties of existing Boards be carried on by the County Councils or Borough Councils, or a joint committee, as the case may be.

4. *Water-supply Board.*—The Committee recommend that the same provisions of administration as apply to river districts should apply to water-supply districts.

5. *Harbour Boards.*—The Committee recommend that County Councils or Borough Councils be empowered to exercise the duties of Harbour Boards in such cases where there is at present no Harbour Board, but that in such cases the county should do this work in its capacity of a county instead of a Harbour Board.

The Committee recommend that, in the case of the merging into the counties of any other class or classes of local bodies, all the powers and duties now exercised by such bodies be given to the County Councils.

6. *Counties.*—That this Committee is of opinion that the multiplicity of small counties is a mistake; that the number of counties should be reduced, and that a Commission should be set up to inquire as to where amalgamation can be made, keeping in view the size, population, valuation, and community of interest of such counties.

The Committee recommends that a change in the basis of subsidies for counties is desirable, that the necessities of all districts should be fully considered, and is disposed to favourably consider the general lines of the scheme in force in New South Wales as referred to by the Minister in his speech.

That the Committee affirms the desirability of retaining the present system of county franchise.

That for representation purposes the present system of ridings in counties be retained, and the County Councils have the option of keeping riding accounts or not.

That a uniform system of accounts be adopted for local bodies.

That the present system of triennial election be retained in the counties, and be made to apply to all local bodies, the elections to be held on the same day.

Resolved, That a vote of thanks be accorded to the Chairman.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 4

The Committee to whom was referred "Hospitals and Education" have the honour to report that they have considered the same, and recommend that the resolutions annexed hereto be acceded to.

Wellington, 23rd May, 1912.

JAMES H. WALKER, Chairman.

Hospitals.

1. That this Committee recommends to the Conference that Part IX be deleted from the Bill, the present Act, with some minor amendments, being satisfactory.

2. That it be a recommendation to the Department to give the following matters its serious consideration:—

(a.) The alterations of boundaries, either by enlargement or otherwise.

(b.) To place upon the estimates a sufficient sum annually to cope with consumption.

(c.) That Receiving Homes be placed in the large centres for the reception of mental incipient cases, cost and maintenance of same to be borne by the mental authorities; also, that the treatment of habitual inebriates should be a charge on the same Department.

(d.) That the Destitute Persons Act should be amended.

Education.

3. Your Committee recommends that Part X of the Local Government Bill be eliminated.

4. Your Committee suggests that the Minister should take steps to ascertain whether the boundaries of the various education districts cannot be improved.

5. Your Committee suggests that the Minister should consider the question of subsidies (or capitation) now being paid to Boards, and Boards of Governors, for technical and manual training and secondary work.

6. Your Committee suggests that the results of inquiries, if made, under Resolutions 4 and 5 should be communicated to Boards for consideration, and for further alteration, if necessary, before any material amendment in the law is made.

REPORT OF COMMITTEE No. 1.

The PRESIDENT said he would call upon Mr. Middleton to move the first paragraph of the Resolutions of No. 1 Committee. It would, he thought, be in accordance with the wishes of the Conference if they took the resolutions clause by clause.

Mr. H. J. MIDDLETON (Chairman of No. 1 Committee) moved the adoption of Resolution No. 1—“That this Committee is in favour of the formation of a Local Government Board to take over and exercise the functions of the Minister and the Governor in Council.”

Mr. J. STUDHOLME (Ashburton) asked that Resolutions Nos. 1 and 2 be taken together, as he wished to move an amendment.

Mr. R. MOORE (North Canterbury) thought it would be better for the Conference to decide whether they were in favour of a Local Government Board or not; the question of the constitution of the Board could follow.

The PRESIDENT said that Mr. Studholme's first amendment (notice of which he had given) was virtually the same as the first resolution of the Committee. It would be just as well to take the discussion on the first resolution. The question before the Conference would be whether there should be a Local Government Board or not.

Mr. G. J. GARLAND (Auckland) said he viewed the proposal with a great deal of concern. In discussing the resolution, he desired to look beyond clause 1, and deal with the general principles of the Committee's report as a whole. He did not like the proposed constitution of the Local Government Board. The Committee proposed that it should be appointed "for a fixed term of not less than five years." This meant that it might be for ten years, and it opened up a very serious matter. They all knew what the Minister, by Order in Council, had done in the past, what he had been able to do, and what he might do. If the Minister, whoever he might be, did something that the country disapproved of, they had some chance of getting rid of him; but if members were appointed to the Board, as proposed, for at least five years—it might be ten years—great difficulties might arise. These members would be there by Act of Parliament, and could only be removed, unless their term was up, if Parliament saw fit to terminate their tenure of office. He regarded this as one of the weakest points in the Committee's proposals.

Mr. H. J. MIDDLETON rose to a point of order. Was it permissible for a delegate to traverse all the resolutions of the Committee while only No. 1 was before them?

The PRESIDENT said he had not stopped Mr. Garland because it appeared to him that when they were discussing whether a Local Government Board should be set up or not they were bound to consider what its constitution was likely to be; and on the question of the setting-up of a Local Government Board he would have to allow a wide discussion on the whole question. He would, therefore, not object to any member discussing Mr. Studholme's proposals, or any others, while Resolution No. 1 was before them. By this means, he thought, they would shorten the whole discussion.

Mr. GARLAND did not propose to speak at any great length, so that others might have an opportunity of following him. It would be unwise to pin one down to any particular clause in an Act of Parliament, or a resolution coming before an important Conference such as this, and not allow the whole of the recommendations in the paper to be traversed. He merely wanted to point that fact out—viz., that it was a very dangerous principle, and one that perhaps the Conference in due course might see fit to regret. He would now content himself with voting "No."

Mr. R. MOORE explained that when acting on the Committee he voted against the clause, and intimated to the Committee that he would take that line of action when the subject came before the Conference. In the early part of the Conference he understood the Minister had practically dropped that part of the Bill, that being the tenor of the Minister's reply to the Mayor of Wellington.

The PRESIDENT replied that that referred only to clause 10.

Mr. MOORE here read a short extract from a newspaper.

The PRESIDENT replied that he was not going to be bound by a statement from a newspaper report. When that matter was referred to it had reference to clause 10, and distinctly referred to clause 10. He told the Conference that he did not believe in that clause, and that he would withdraw it. He was rather surprised, after he made that statement, that Mr. Moore should quote a newspaper statement. Newspapers were unable to take verbatim reports of everything that was said.

Mr. MOORE said he accepted the Minister's statement. It was not necessary to have another Board set up. The Minister ought to be held responsible for the work of his Department, and should not have anything acting as a buffer between himself and the local bodies. The Minister could be got at. If he did anything that was not approved of he had to face Parliament, and he was responsible to Parliament. The Minister, in a great measure, acted on the advice of his executive officers, but now it was proposed to give him a Board to act with him. Once that Board was established it would get its powers extended, and thereby overshadow the real work of the local bodies who were elected by the ratepayers who found the money. The object of the Bill was to reduce the number of local bodies, but in reality they would be establishing another local body, and a local body that was not under the control of the ratepayers. As a matter of fact, the Board would be in a great measure under the control of the Minister, although it was suggested it should be elected by Parliament. Parliament was the predominating party, and the Minister of the day had the appointment of three members of the Board. There was this in it: the appointment was for a number of years, and those members could not be dismissed by the sweet will of the Minister. He entered his emphatic protest against the setting-up of the proposed Board.

Mr. McLAREN (Wellington) wanted to be clear as to the cause of the debate. Were they dealing with the first report or with the amendment to the report of No. 1 Committee?

The PRESIDENT said they were dealing with the report of No. 1 Committee. The amendment had not yet been moved.

Mr. STUDHOLME (Ashburton) thought it was desirable that he should move his amendments now. His amendment was not moved in any spirit of opposition to the work of the Committee, but entirely with the idea of improving the Committee's resolutions by suggesting better ones. He asked for the permission of the Committee to move his resolutions, with the view of suggesting their substitution for those in the Committee's report; but that could not be done without the

agreement of the whole of the Committee. One gentleman disagreed, so that what he desired could not be done, and consequently the only course open to him was to place them directly before the Conference as a whole, and then to agree to them. Therefore the members of No. 1 Committee might or might not be in favour of his resolutions. No. 1 and No. 2 resolutions standing in his name were substantially the same as the first two recommendations of the Committee; they were merely alterations in form and arrangement. No. 3, in his opinion, was an improvement on the resolution of the Committee, because the way the Committee had worded its proposal left the functions of the Local Government Board in a very hazy and uncertain state, whereas if the words were drafted as he had drafted them they would have a clear definition of the limitations and functions of the Board in question, and they would know where they were. The functions of the Local Government Board as embodied in the Local Government Bill were very few but very important. They consisted of three—(1) The Board would have to consent to the creation of a separate rating area; (2) to the exchange or sale of land vested in a County Council; (3) to the stoppage of a road. Those were the only three powers they had. There was one other power which the Bill proposed to give to the Board—viz., the power of settling a dispute when two or more local bodies disagreed as to the control of a drain or water-race. He contended that those powers which he had read were the only powers that the present Bill gave to the Local Government Board. If they accepted the resolutions which he had drafted they would know where they were. Then, his clause 3 was important, in that it provided for the increase of the Board's powers, but it safeguarded that proviso by throwing the responsibility on an Act of Parliament. The main object of the Board was to help the Minister to carry out his duties in regard to local government with greater efficiency and knowledge, and therefore he was opposed to the local-governing body having more final powers of decision than could possibly be avoided. The Local Government Board should not be armed with absolute power to differ from the Minister or to hamper the Minister in the discharge of his work. Care should be taken to see that a position of divided control was not created, which might frequently bring about a deadlock, and thus not conduce to the quick discharge of business. They did not want divided control or divided responsibility. If the Minister agreed with the recommendations of the Board he shared the responsibility of the Board; but if he or the Government of the day chose to differ from and act in opposition to the recommendations of the Board, then the Minister and the Government would have to shoulder the entire responsibility. The last resolution standing in his name required the Local Government Board to furnish Parliament with a list of its works, recommendations, and duties of the preceding year. Thus Parliament would at once be able to see in what directions the Minister or the Government of the day had disregarded the recommendations of the Board, so that the Minister could be immediately brought to book and be asked to justify his actions.

Mr. W. S. MASLIN (South Canterbury) likened the amendment to the fifth wheel of a coach, it being neither use nor ornament. The Minister was to be the presiding genius, who had merely to make recommendations to himself and preside over his own creation. That was what it boiled down to—namely, the Minister of the day.

The PRESIDENT desired to say a word or two with regard to the motion. It appeared to him that the amendment submitted by Mr. Studholme was unworkable, with the exception of clause 5, which he thought could be improved so as to make it a useful clause, although that was really not necessary in the way of legislation. He would point out to gentlemen of the Conference that any one with parliamentary experience knew that an attempt to elect a Local Government Board by Parliament would prove unworkable. It was no use beating about the bush, because the attempt to throw the responsibility upon Parliament for the election of the Board was practically certain to kill the proposal. In the first place, Parliament consisted of two Houses, and the gentlemen who were nominated would be elected by the Lower House, after which the ratification of the Upper House would be needed. In the event of a difference of opinion between the two Houses there would be no Local Government Board set up at all. Therefore, for that and other reasons, parliamentary election was absolutely unworkable. Further, it was undesirable that party politics should be introduced into local affairs. For the election of the three members in question, the party in power could send their Whips round, and tell them who the men were they wanted elected.

Mr. PARR.—Surely not!

The PRESIDENT replied that no doubt the same thing was done in the Auckland City Council. They all had had enough experience to know that one must make sure of his move before he brought a scheme down. It was said by Mr. Moore that if the Minister did not do what they wanted there was a chance of getting at him. But that could not be done, and he would tell them why: If they had the proposed system of an elective Executive by the Parliament, whereby any single Minister who was objected to could be put out without turning out the whole Government, then they could get at the Minister of Internal Affairs. But as the position stood, and as the Executive was not elective, the only way to get at any one particular Minister was to turn the whole lot of them out, which was a very much harder job than it looked at first sight. There was an old maxim that possession was nine points of the law. The question they should ask themselves was this: Did they, as a body of business-men with experience, think that it would be for the benefit of the country if a Local Government Board were set up on the lines of the English Local Government Board, with a view of putting on a broader set of shoulders the responsibilities underlying the details of local government? Sometimes they had a man as Minister of Internal Affairs who took his duties lightly, whilst at other times they would have a man who devoted himself to the work of guiding the interests of local governing bodies. But they would never get a body of men who would shirk their duty. There were a number of Boards in connection with the Government of this country in existence at the present time—there was the Public Trust Board, the Government Life Insurance Board, the State Fire Insurance Board, the Public Service Classification Board, and others. In nearly all cases those Boards consisted of

the heads of different departments of the public service, and he was President of two or three of them himself in his official capacity, some of them having nearly all heads of the Civil Service. Every one of these men exercised his independent judgment with regard to every question that was submitted to the Board in exactly the same way as members sitting round a County Council table. With six or eight men sitting together, they were far more likely to get experience and wisdom in the management of a big undertaking than by depending entirely on the Under-Secretary for advice. The Under-Secretary merely took the papers to the Minister, discussed the situation, and subsequently furnished his report. He did not want to impinge on the rights and responsibilities of the local bodies. He felt that this would be a progressive measure. He would like to refer Mr. Moore and the other gentlemen who were criticizing it to the fact that if there were new functions added to this Board—supposing new functions were proposed to be given to it—every one of those functions had to come before Parliament, and had to be discussed on the floor of the House by eighty members of Parliament, who represented the six or seven hundred public bodies of this country. Questions relating to local government were considered by the Legislature quite independent of party altogether, and that was as it should be. Such questions should be dealt with by the best brains and the united experience of the Parliament of the country. They were setting up imaginary difficulties in connection with this question, and he suggested to the Conference that they negative Mr. Studholme's amendments, because he (Mr. Russell) regarded them as unworkable. The English Local Government Board consisted absolutely of none but ordinary officers, and he had set that out in his speech. The President of that Board was the Right Hon. John Burns. The real work of the Board was done by the permanent Under-Secretaries, who were employed under the direction of the President. His idea was this: that three gentlemen be appointed by the Governor in Council, and if that was agreed to he would give the Conference an assurance that they would be the very best men that could be procured for the work—men entirely free from party or colour; because he wished to see a strong Board established. He suggested that they should negative Mr. Studholme's amendment first, and then pass Resolution No. 1 of the Committee; and then strike out the provision for election by Parliament, and insert in lieu thereof that the appointments be made by the Governor in Council.

Mr. HORRELL (North Canterbury) said he did not agree with the constitution of the Local Government Board. If they were to have a Board, he thought it should consist of men elected by those who were interested. They should not be elected by Parliament, nor be Under-Secretaries.

The PRESIDENT suggested to Mr. Horrell that if a proposal of the kind mentioned by him was given effect to they would be setting up a Parliament consisting of three men who might come in conflict with the Executive of the country, and then there would be untold trouble. Such a Board could accomplish nothing, and it would be drawing salaries and expenses.

Mr. JULL (Hawke's Bay) thought there was rather a reversal of form displayed by members of the Conference to-day. Yesterday, when they were discussing the proposal to set up a Local Government Board, there was a distinct inclination on the part of members of the Conference to agree that something in the nature of a Local Government Board as outlined was a desirable innovation—there was a distinct feeling in that way.

The PRESIDENT remarked that Mr. Jull was quite right. The speeches yesterday were in favour of what he had said.

Mr. JULL went on to say that some gentlemen were anxious to set up a constitution of rigid character and of enormous scope. He did not agree with the President that they should follow entirely the lines laid down by the English Local Governing Board, but he thought the suggestion that a Local Government Board should be established was desirable, and he thought so because they found there were a considerable number of matters which engaged the attention of Ministers, and in addition there were disputes arising between local bodies. Such disputes had to be referred to somebody, and he thought it might be well they should be referred to a Board of this description. The position now was that a proposal was made, after considerable discussion, to set up a Commission to inquire into these matters. Now very often a matter of principle could be decided at once by a Board of this description, and the principle having been laid down that would be made a permanent condition which they would all know the effect of. The number of nominated members the Minister proposed seemed to him excessive. While perhaps the Minister and the permanent heads of the Department should be members of the Board, there should be some representation of the local bodies upon it. He would not say these representatives should constitute a majority of the Board, but they had as a precedent for representation the fact that in the Land Boards the elective member was a man who represented the Crown tenants. There might, he thought, be some simple method for the appointment of one or two representatives to assist the permanent heads in the discharge of these duties, many of which would not be matters that should be shirked. He felt sure they were not likely to allow a Board of this description to override the whole of the local bodies of the Dominion. He did not agree that they ought to establish a Board of this kind, giving it the stability and permanency proposed. They did not want to make Supreme Court Judges of these gentlemen, but what was required was something that would practically oil the wheels and promote the better working of the local-government machine, and they might well appoint a Board of the description he had mentioned, but one which would not have the multifarious duties cast upon it which some people thought should be discharged by this Board. He was going to support the proposal that a Local Government Board was desirable.

Dr. COLLINS (Gisborne) asked if in setting up the Local Government Board they would do away with the Commission of inquiry?

The PRESIDENT was not prepared to give an answer offhand to that question. No doubt a large amount of work now done by the special Commission of inquiry would be done by the Local Government Board. He considered that one of its functions, and in the event of determining to

hold a Commission of inquiry, probably one of the members of the Local Government Board would be one of the members appointed to the Commission.

Dr. COLLINS said he had been one of the Committee that had passed this resolution, and he thought it would be remembered that during the course of its deliberations the President and he had had some little interchange of opinions on the subject. He held firmly to the opinion, and he asked consideration for it, that in the composition of a Board of this description continuity of legislation should be insured, otherwise the Board, whatever its composition, would be futile. He would invite them to consider the composition of the Board as set down in the resolution. In the first place, there was proposed a resolution which would allow of there being three members on the Board plus the Minister, and there they would remain for a stated time—namely, five years. Now, what class of individuals did they propose to place upon that Board? They could not place parliamentarians, for the simple reason that they were excluded, and if they were not, the exigencies of the times and the disruptions of Parliament would probably very soon put these members out of court. They would require the appointment of independent members; and what did that mean? Would the independent members be appointed by the Government or would they be appointed by the Minister? They might be excellent appointees, but it should be remembered they would be absolutely independent, and there they would be for five years. Then, immediately they got a change of Government what would they find? The Minister of the opposing party in politics would come in, and take his seat on the Board with three independent members elected by the last Minister, and the new Minister would probably have opposite legislative ideas. Was that a wise proceeding?

The PRESIDENT.—It is what goes on every day in the Civil Service. The Civil servants are appointed, and virtually appointed for life. All the heads of departments are in that position.

Dr. COLLINS said he was sorry if their opinions did not agree, but he could only state his own opinion. He thought Civil servants were the only persons who could be wisely appointed to a Board of this sort. The heads of departments, to his mind, would be the best members of the Board. They were all gentlemen who had risen from the ranks, and who had been more or less under parliamentary control until they had reached the higher rank. Now, it was claimed for these gentlemen that they were independent. That might be a truthful assertion; but he had been under the impression that the Civil servants had not the independence that was claimed for them by the Ministers or high authorities, who gave votes; and under these conditions there would be the danger of pliancy to deal with. It might be urged that this was a minor objection, but it still remained good. Now, he held, and the district he represented held, that if it were necessary to form an intermediate Board between the local bodies and the Government—a Local Government Board—the people should have representation upon it, and he failed to see how they would get continuity of representation, and gain satisfaction for those whom they represented at the Conference, if they were blindly going to vote for a Local Government Board under the proposals they had before them. He, for one, certainly could not do so.

Mr. STEDHOLME said, as a personal explanation, and in reply to statements that had been made, that clause 111, which had been referred to, entirely related to provinces.

Mr. FRENCH (Auckland) would only take up a minute. He was opposed to the setting-up of the Local Government Board, because of the history of the English Local Government Board. That Board had been set up as a measure of decentralization in 1858, when Parliament desired to pass on certain functions to the local bodies; but almost invariably they had not passed them on. It was because no one would know where the responsibility was if the Board were set up that he could not help thinking the best thing to do was to leave the power in the hands of the Minister.

Mr. E. MAXWELL (Taranaki) was distinctly against the establishment of a Local Government Board in any form, but thought that if it was to be established at all it should be an independent Board. It would be an absolute farce to set up a Board consisting of the Minister and certain heads of departments, for the work was really now done by the Minister and the heads of departments, and the only result would be that the Minister would be relieved from responsibility. He could not follow the line of argument in favour of a Local Government Board, for the reason that if the Provincial Councils were struck out—and there was no doubt they would be struck out—the duties left to the Local Government Board were so small that it was not worth while appointing a Board, for the Minister could not possibly be troubled with any great excess of work. The subject had been discussed at the meeting of the Committee on the previous evening, and he did not hesitate to say that the majority of the Committee had been against the appointment of the Board until assured by the Minister that he did not wish to gain any powers additional to those now held by himself and the Governor in Council. Upon receiving that assurance, members had not seen any particular objection to having these gentlemen called a Local Government Board, instead of their being called the Minister and the heads of departments. But almost immediately after they had passed the clause they had discovered there was an increase of power suggested, and that the danger some had foreseen would exist if the Board was established, as it would be appointed with the object of relegating to it certain powers not now recognized as among the duties of the Governor in Council and the Minister. In any case, as they would doubtless do away with the Provincial Councils, there would be no warrant for establishing the Board; but if it were established it should certainly be an independent Board. The majority of the Conference he believed to be with him in the opinion that it would be much better for them to be able to look to the Minister, and to hold him responsible, than to give the Minister of the day, whoever he might be, the opportunity of sheltering himself behind the Board. Speaking generally, he was confident that was the position taken up. The Minister was now responsible, and they knew it; but in the other case he might carry out a particular work, and, if objection were taken to it, reply that it had been done in accordance with the finding of the Board. Anyway, he did not see any possible gain from the creation of such a Board, or any warrant for taking up the time of

the Conference any further upon it. If they were determined to strike out the Provincial Councils, it would be a mere waste of time to consider the creation of the proposed Local Government Board.

The PRESIDENT remarked that he was about to express the fervent hope that they would not have a long discussion. In his opinion, the Conference was ready to vote.

Mr. McLAREN (Wellington) would confine himself to one point, which seemed to him important. They should have officers appointed to assist the Minister in carrying out his duties, but it depended, in his judgment, very largely upon what the functions to be exercised really were, as to whether they ought to agree to the Board or not—whether or not it was needed. The Minister had hinted that the Board, if appointed, would in certain instances have to act as a Commission of inquiry, and he wished to draw attention to the fact that although they had agreed to the deletion of clause 10—“Nothing in this Act shall be so construed as to render it obligatory on the Local Government Board to hear evidence or otherwise act judicially in the exercise of any power, jurisdiction, or authority vested in it”—that clause was in the negative form, and the mere deletion of it did not affirm that the Local Government Board would receive evidence and act judicially, and he could not find anything else in the Bill that would place the responsibility on the Board so to act. His main point was that he believed all matters relating to the allocation of liabilities and the settlement of disputes should be dealt with by the Courts of the country rather than by any Department or State Board. At the present time, therefore, he could not support the motion in favour of the Board, as he was not quite sure it could exercise the functions it was suggested the Board should have.

A delegate moved, That the question be now put.

Motion agreed to.

The PRESIDENT.—The question is that Mr. Studholme's amendment stand instead of the original resolution.

Amendment (by Mr. Studholme)—“(1.) That a Local Government Board be set up. (2.) That such Board be composed of the Minister of Internal Affairs and three other members (not being members of Parliament), such members to be elected by Parliament for a term of not less than five years, and to be dismissable only by resolution of both Houses of Parliament. (3.) That the functions and duties of the Board be not in excess of those embodied in this Bill, except in so far as may be from time to time delegated to it by special Act of Parliament. (4.) That these functions and duties be confined as far as possible to powers of recommendation to the Governor in Council. (5.) That the Board submit an annual report to Parliament on local government in general, and on the work of the Board for the past year, such report to include a full and complete list of all recommendations they have seen fit to make to the Governor in Council”—negatived on the voices.

The PRESIDENT.—The question is that clause 1—“That this Committee is in favour of the formation of a Local Government Board to take over and exercise the functions of the Minister and the Governor in Council”—be adopted.

A division being called for, this proposition was negatived on a show of hands, and declared lost.

The PRESIDENT.—Clause 1 being negatived, clause 2 naturally falls with it.

Mr. MIDDLETON moved the adoption of clause 3: “That this Conference does not agree with the establishment of Provincial Councils.”

Clause 3 agreed to.

Mr. MIDDLETON moved clause 4: “That this Committee is wholly opposed to the present method of distribution of public moneys by way of promiscuous grants for roads, bridges, and such other works, and favours the substitution of a system of increased subsidies on some definite principle.”

Clause 4 agreed to.

Mr. MIDDLETON moved clause 5: “That while this Committee is entirely opposed to the continuance of the present system of promiscuous grants, at the same time it is of opinion that the Government should faithfully carry out all engagements or obligations for works that it has already committed itself to, and the Committee appreciate the Hon. the Minister's promise in this respect.”

Clause 5 agreed to.

Mr. MIDDLETON moved clause 6: “That this Committee strongly emphasize its opinion that the complete roading of new lands simultaneously advance with the settlement thereof. Such roading to be carried out at the cost of the General Government.”

The PRESIDENT presumed this resolution was in accordance with the speech he had made on the previous day—namely, that the main road to the block to be opened up should be made, and that the work of road-making should be afterwards given to the settlers, with a view to enabling them to purchase their holdings.

Dr. COLLINS, regarding this resolution, desired to ask if it also referred to Native lands.

The PRESIDENT understood it meant the complete roading of new lands, no distinction being drawn between European or Native lands.

Mr. J. G. WILSON asked if it would not mean that all roads should be completed.

The PRESIDENT observed that the clause had been very carefully worded, and it said, “the complete roading of new lands simultaneously advance with the settlement thereof.”

Mr. MIDDLETON thought he might explain the meaning of the Committee. The Committee's opinion was that it would be unreasonable to ask the Government to make all roads in advance of settlement; but that the roading should be completed continuously as settlement went on.

Clause 6 agreed to.

Mr. MIDDLETON moved clause 7: “That this Committee is of opinion that the system of subsidies should be regulated by the necessities of the district rather than by the amount of rates that may be collected. That Parliament should annually decide what sum is available for sub-

sidies to local bodies, and should set aside such a sum for this purpose. That this sum so set aside should then be divided among the local bodies on a definite principle. That the system this Committee would recommend the Government to adopt is the one that has been in force for many years in New South Wales, and which has been outlined by the Minister in his address. That this recommendation is made without prejudice to the interests of cities and boroughs."

Mr. JULL (Hawke's Bay) suggested that, as another Committee had made a recommendation upon this phase of the question, the two recommendations might be put before the Conference together. No. 3 Committee had dealt with the question in their report.

Mr. PARR (Auckland) moved, That the consideration of this clause be deferred.

Motion agreed to, and consideration of clause 7 deferred accordingly.

Clause 8: "That it be a recommendation from this Committee that all local bodies be authorized to invest their own sinking funds through their own Commissioners, excepting such loans as are granted by the Government Advances Board, and that any section of any statute providing otherwise be repealed.

"(1.) Should the sanction of the Local Government Board be necessary before a loan is obtained?—That, in the opinion of the Committee, the sanction of the Local Government Board be not necessary before a loan is obtained.

"(2.) Should the power to borrow be in any way limited, and to what degree?—That the powers to borrow should be limited only by a vote of the ratepayers.

"(3.) Should all local loans be obtainable only from or through the State-guaranteed Advances Department?—That it is desirable that increased facilities be granted for obtaining from the State-guaranteed Advances Department all loan-moneys authorized to be raised by the ratepayers; but that, failing the advance of any such loans by this Department, it be admissible for the local body concerned to obtain the required loan elsewhere."

Mr. MIDDLETON moved, That the first paragraph, concluding with the words "otherwise be repealed," be agreed to.

Motion agreed to.

Mr. MIDDLETON said there were three other questions dealt with in this section of the report which, at the express desire of the Minister, the Committee had considered. No. 1 was, "Should the sanction of the Local Government Board be necessary before a loan is obtained?—That, in the opinion of the Committee, the sanction of the Local Government Board be not necessary before a loan is obtained."

The PRESIDENT said the only point was they had given a great deal of work to the Minister. Were they prepared to trust the Minister that much?

Mr. MIDDLETON said the answer was that, in the opinion of the Committee, the sanction of the Board be not necessary before a loan was obtained.

Mr. MOORE (North Canterbury) said it meant that they should trust the people so far as local works were concerned, and this might well be done since they were going to find the money themselves. Where it was purely a local work the local bodies and the ratepayers ought to have the power.

Mr. LIFFITON (Wanganui) did not think the Minister would ever ask for such a thing, excepting where the work was done by a Government Department, and there surely the Minister had a say. Otherwise the Minister would never ask for a veto on local loans obtained outside the Government Advances Act.

Mr. MILLIGAN (Waitaki) moved, That subclauses (1) and (2) be deleted.

The PRESIDENT would point out to the Conference that it had been shown in the speech which he had delivered that now £17,000,000 of money was owing by the public bodies of New Zealand, and it was shown also that during the last ten years the indebtedness of the local bodies had more than doubled. The question was whether it was desirable there should be any brake whatever put upon the borrowing-powers of the local authorities? He would put this position to them. They must have noticed, for it had been brought before them at the present Conference, that there had been large extensions of the franchise in the cities, and must recognize that in the cities entirely new constituencies were being represented on the Councils, and large loans and responsibilities might be increased for entirely ulterior purposes.

A delegate: The ratepayers only vote on loans.

The PRESIDENT thought they should consider that the law might be altered in connection with that, and he asked them as a body of business men whether it was not desirable that at some point there should be a brake in connection with loans to local authorities. He was standing in a responsible position as Minister, and had to take, if he could, a view over the entire country, and to consider what might happen in connection with these borrowing-powers. He might tell them that there was one town in New Zealand that had erected a large municipal theatre, and had never yet spent any money in drainage-works. The people of that place might now be laying up for the future a harvest of typhoid-fever that in five or ten years might yield disastrous results. He put the matter thus strongly to enforce the question as to whether there should not be some control of local borrowing. Surely the Minister might be enabled to say it would be better that drainage should be attended to before municipal theatres were erected. There was no power to do that now. If a strong Local Government Board were set up in connection with every extension of local borrowing there would be an inquiry independent of the local body, and the skill of the highest experts in the State would be brought to bear upon the matter. If they were prepared to negative that he had no desire to force his opinion upon them, but he would repeat the question, Was it desirable that there should be unlimited power of borrowing given to local bodies, so that there should be no brake at all upon them? He had quoted figures showing that there was a total indebtedness amounting to seventeen millions of money upon the local bodies, and he might tell

them there was an indebtedness amounting to as much as £34 per head on the entire population of one city in connection with local loans at the present time. They should face the position boldly. If they were going to bring into local bodies an entirely new element, that might want to force the pace, surely they ought to see if some brake could not be put on the local bodies in connection with their borrowing proposals. He put the matter to them as realizing the responsibilities of his position, and endeavouring to take a wide view of the subject, and he would say that if things went on as they had done, in ten years time the indebtedness of the local bodies would be thirty-four millions, and in another ten years sixty-eight millions—equal to the indebtedness of the State itself.

A delegate: What about the assets?

The PRESIDENT replied that he could not speak as to the question of the assets; in some cases there might not be assets.

Mr. K. S. WILLIAMS (Waiapu) asked if the sanction of the Local Government Board applied to the County Councils as well as to the City Councils.

The PRESIDENT said the Local Government Board had been killed. The question as it stood, and had been negatived by the Committee, applied to all local borrowing.

Dr. COLLINS (Gisborne) pointed out that there would require to be some provision for the powers of local bodies. The defect was not so much on the part of the local bodies as a defect of the supervision of the Government. Districts should not be allowed to raise exorbitant amounts without any supervision. He had advocated that sanction should be needed to allow any undertaking to be presented to the ratepayers, but when once the ratepayers had agreed he said at once that work should go on forthwith. He thought it was most important that this should be considered in detail, and that the Conference should give it their support.

Mr. McLAREN (Wellington) said he thought there should be some means of making what the people want take precedence, and that the necessary works should be first undertaken, and that the other works should be attended to afterwards. He considered that was a right and proper principle, but he did not think they should have fear of the franchise being too wide, because the non-ratepaying residents were always more anxious to have good streets, and so on, than they were to go to amusements and shows. Whilst he would not like to see a drastic power established in the matter of raising loans, there had been an indifference in Wellington and other cities.

Mr. JULL (Hawke's Bay) thought that, in view of the statements that had fallen from the Minister, they might well say "No" to No. 1. With regard to No. 2, he thought they would be safe in saying "Yes" to that. The position in the counties at present was working very well, but in the boroughs there was a tendency on the part of the Councils not to examine the proposals too closely, but to leave the matter to the vote. That did not apply in the counties, and the member representing a riding had to be very careful before he made any proposition which contained within itself the matter of raising a loan. He did not think a loan should receive the sanction of the Minister, but he thought there should be some proposal brought forward to put a limitation on the powers of local bodies, and therefore they should have something enacted which would give a limitation in the matter.

The PRESIDENT said that if Mr. Jull looked at page 6 of the statistics he would find that the total raising of loans was £16,131,776, of which only £185,631 was owing by the counties. A footnote at the bottom of the page stated that the totals of these loans excluded the amount of £1,025,663 repayable by instalments under the Roads and Bridges Construction Act, the Government Loans to Local Bodies Act, and the Loans to Local Bodies Act, nearly all of which had been borrowed by the counties. They were rating property-owners in this country, and we were living in an age when rapid changes were being made, and if the residential franchise was extended to the counties it might be found that trading-scheme responsibilities were forced on the counties in the same way that they had been on the cities, and if it was found that the loans to local bodies was increased the blame must not be thrown on him. He put the proposal on the assumption that the Local Government Board was to be set up. He did not want to take away any power to borrow from the local bodies, nor did he think that a fair proposal on the part of any Minister. So far as he was personally concerned, he was not prepared to limit the function of local bodies to borrow until they desired it should be done.

Mr. WILLIAMS (Buller-Inangahua) moved, "That it be a recommendation of this Conference that no loan should be allowed until the sanitary conditions and water-supply of any body are such as fully satisfy the Minister of Public Health."

The PRESIDENT said, with regard to the question of the Local Government Board, a suggestion had been made to him that if the representative element were introduced the Board would probably be more acceptable to the Conference. It was suggested—and he thought it might be worth considering—that the Municipal Conference and the Counties Conference should each be empowered to elect a delegate to the Board. He merely threw this out as a possible solution of the difficulty, and not in any way to hamper any decision that the Conference had come to. If the proposal should be acceptable to the Conference it would be open to anybody to bring the matter before the Conference again at a later stage. In the meantime they had before them a motion by Mr. Milligan that subclauses Nos. (1) and (2) of clause 8 should be struck out.

Mr. F. HORRELL (North Canterbury) quite agreed that there should be some brake on the expenditure of loan-money. A lot of money had been spent foolishly on buildings, &c., when other necessary work should have been done. What might have happened in the part he and the President came from had it not been for wiser counsels prevailing? A few people of Christchurch would have liked to incur an expenditure of two millions. If some brake had not been put on, there would have been two millions spent foolishly.

The PRESIDENT.—You are taking an advantage of me to-day.

Mr. MOORE desired to refer to the comparisons that had been made between the boroughs and the counties. They had to take into consideration that the cities and the boroughs had very large works to be carried out, in the shape of sanitary undertakings, water-supply, and so forth; so they had naturally, in proportion to the area over which the money was spent, to borrow much more largely than the counties. He did think, however, that there ought to be some steadying influence in reference to the borrowing-powers of local bodies. At the same time, he had very grave doubt whether they could get a body that would take control out of the hands of the ratepayers. Although they had a few instances of reckless borrowing and expenditure which many of them would not approve, it would be a very difficult thing to place the power in the hands of a Board such as the Minister had suggested should be set up. They would have to be very careful as to how they centralized power more than it was centralized now.

Mr. J. STUDHOLME (Ashburton) hoped the Conference would affirm the principle—at any rate, in general terms—that there should be some restriction of the borrowing-powers of local bodies. The tendency with the average person was to spend money much more freely when he could get credit than when he had to pay cash. They had for many years applied the principle of placing restrictions on the amount of money that a local body could raise by rates—in other words, when the work had to be paid for immediately; yet there was no restriction as to the amount of money a local body could raise by loan and put the responsibility for on the shoulders of a future generation. To his mind, the need for restriction on the borrowing of local bodies was infinitely greater than the need for imposing a maximum that could be levied in rates.

Mr. C. J. PARR (Auckland) could not see what the use would be of affirming the necessity for restriction unless they were able to indicate just what that restriction should be. A resolution in general terms, such as was indicated by Mr. Studholme, might land them ultimately in some sort of statutory or governmental restriction that would be found distasteful to the different boroughs and cities. Perhaps in the past there had been some rather unwise expenditure of loan-moneys, but they would have to trust the ratepayers to know their own business best. And they must not assume that all ratepayers were foolish entities of the community. It might be true that in the large cities a comparatively small proportion of the ratepayers rolled up to vote on important loan proposals, but he had always taken this to mean that the bulk of them were satisfied to allow those proposals to go through. He had found in his experience that when a scheme was proposed which did not meet with the approval of the general body of ratepayers they rolled up in large numbers to oppose it; and probably always would do so when their pockets were touched. In the large cities, too, there was this safeguard—perhaps the best safeguard of all: they had a very virile and active Press, which watched loan proposals and municipal expenditure with a lynx eye. The criticism of the Press on any schemes for the improvement of the cities was very pointed and informative, and helped to mould public opinion on right lines. This in the cities was, he thought, the best safeguard they had. His opinion, therefore, was that unless they could indicate to the Minister some competent, judicial body, removed altogether from political influence, which should exercise this power of restriction, it would be wiser to leave the legislation as at present—namely, that the ratepayers—the people who owned the property and had the power to burden themselves—should say what liabilities they would undertake.

Mr. G. J. GARLAND (Auckland) moved, That the question be now put—*i.e.*, that clause 8, sub-clauses (1) and (2), be deleted.

Mr. A. E. JULL (Hawke's Bay) thought there were two distinct propositions, and that they should be put singly.

The PRESIDENT said he would do so. Meanwhile he had an amendment moved by Mr. Williams—an amendment to subclause (2). Was there a seconder for it? It read as follows: "That no loan should be allowed until the sanitary conditions and water-supply of any body are such as fully satisfy the Minister of Health."

Mr. H. SCHOFIELD.—But suppose the loan is for that work?

The PRESIDENT thought it was not necessary to discuss the amendment. He would like to say that Dr. Collins had handed him a motion which might come in at this stage, as it dealt again with the question of a Local Government Board. He would read it, and would take the sense of the Conference as to whether they wished it discussed and voted upon. It was: "That this Conference is in favour of the formation of a Local Government Board, to take over and exercise the functions of the Minister and Governor in Council; that the Local Government Board be partly elective and partly nominative, on the lines suggested by the Minister—namely, one member each by the Counties Conference and Municipal Conference; that members of Parliament shall not be eligible; and that the Minister be a member of the Board *ex officio*." Was it the wish of the Conference that he should take a vote on this amendment?

Mr. W. S. MASLIN (South Canterbury) said the objection raised before was that what was proposed would necessitate the member's residence in Wellington. This would mean that the person elected to represent municipalities must be a Wellington resident, and the person elected to represent the County Councils must be a resident, or must come and reside in Wellington.

Mr. A. E. JULL (Hawke's Bay) rose to a point of order. What they had been asked to determine was whether this matter should be discussed. Mr. Maslin was discussing the motion.

The PRESIDENT said it had been represented to him by a number of delegates during the interval that the objection of the Conference, probably, was not to a Local Government Board, but to a Board that would not have any elective element. Was it the wish of the Conference that the amendment be voted upon?—(Aye, aye; No, no.)—He thought the numbers were about equal, as far as he could judge from the voices. He would take a vote on the question now, that the Conference affirm the amendment of Dr. Collins.

Mr. R. MOORE (North Canterbury) thought they were going back on the vote they had already taken. The Minister had told them that it would be practically impossible for an elective Board

to work. The Conference had come to a decision, and it was not fair to go back on it. He was rather surprised at its being brought forward again, after they had carefully considered the matter and rejected the idea of having a Local Government Board.

The PRESIDENT did not wish to do anything that was unfair, and was rather surprised at Mr. Moore introducing a word of that kind when he (Mr. Russell) thought the whole Conference was desirous of trying to get the sense of the Conference with regard to the matter. Another thing he would like to say was that when he spoke before it was in connection with a body that would be entirely elective, and upon which there would be only one representative of the Government—namely, the Minister. So the position was not as Mr. Moore had put it. He would take the sense of the Conference and be guided by it. Was it the wish of the Conference that a vote be taken on the question now?—(Aye, aye; No, no.)—The “Ayes” had it. He would proceed to take a vote of the Conference on Dr. Collins’s amendment.

Dr. Collins’s amendment negatived.

Mr. Milligan’s amendment, “That subclause (1) be struck out,” agreed to.

Subclause (2)—“Should the power to borrow be in any way limited, and to what degree?—That the powers to borrow should be limited only by a vote of the ratepayers.”

The PRESIDENT said the question was, Should question No. 2 be struck out, so that the power to borrow should be in no way limited.

Question No. 2 retained.

The PRESIDENT said the next question was whether the Conference should adopt the answer of the Committee: “That the powers to borrow should be limited only by a vote of the ratepayers.”

Answer retained, by thirty-one votes to twenty-three.

Mr. H. J. MIDDLETON moved the adoption of subclause (3) of clause 8: “Should all local loans be obtainable only from or through the State-guaranteed Advances Department?—That it is desirable that increased facilities be granted for obtaining from the State-guaranteed Advances Department all loan-moneys authorized to be raised by the ratepayers; but that, failing the advance of any such loans by this Department, it be admissible for the local body concerned to obtain the required loan elsewhere.”

Mr. R. MILLIGAN (Waitaki) seconded the motion. A considerable saving of money would be effected by getting the money from the State-guaranteed Advances Department. They had carried a resolution that the authority should be the vote of the ratepayers, and if money was to be obtained why should not the local bodies get it at the cheapest rate possible? At present the rates charged by the Department were from 3 to 3½ per cent., while if a local body had to go outside the Department it would pay at present from 4 to 5 per cent. He thought it desirable they should affirm the principle. It might be, of course, that the State-guaranteed Advances Department would be unable to satisfy all demands, in which case there was a saving clause that the local body could get the money elsewhere. They did not want the State-guaranteed Department to veto any proposal that had been carried by the ratepayers.

Adoption of subclause (3) agreed to, and clause 8 as amended agreed to.

Mr. MASLIN (South Canterbury) asked if it were incumbent on every member to vote who was present?

The PRESIDENT.—No, certainly not.

REPORT OF COMMITTEE No. 2.

Mr. PARR (Chairman of No. 2 Committee) moved, That clause No. 1 be adopted—namely: “*Cities*.—That, in view of the fact that the cities and large boroughs of the Dominion have special circumstances and liabilities in their administration, due to most of them conducting electric tramways, light, gas, water, and other trading ventures which differentiate them largely from other local bodies, we are of opinion that such cities and boroughs cannot, without serious injury to the community, be incorporated in the proposed Bill, and this Committee is of opinion that they should be excluded therefrom.”

Clause agreed to.

Mr. PARR (Chairman) moved the adoption of clause No. 2—namely: “*2. Suburban Boroughs*.—That we are of opinion that the suburban boroughs of the Dominion should not be included in the proposed provinces, such boroughs being satisfied with the powers of administration conferred on them by the Municipal Corporations Acts, and being desirous, when their burgesses so wish it, voluntarily to amalgamate such suburban boroughs with the cities.”

Clause agreed to.

Mr. PARR (Chairman) moved the adoption of clause 3—namely: “*Smaller Rural Boroughs and Road Boards in Cities*.—That with respect to the smaller rural boroughs and those Road Board districts adjoining the cities or forming part of the suburban area of the cities or boroughs, this Committee is of opinion that the Government should set up a Commission of inquiry under the Commissions of Inquiry Act to report as to which of these bodies can, in the public interest, be amalgamated with the counties or adjacent boroughs, as the case may be. This Committee expresses the view that such amalgamation in many cases is desirable, and should, if necessary, be compulsorily effected.”

Mr. MOORE (North Canterbury) thought there ought to be some definition as to the number of inhabitants, and so forth.

Mr. PARR replied that that was a matter for the Commission of inquiry, for the reason that the Conference had no material before it. The Committee thought it was a matter for independent inquiry by a Commissioner or two Commissioners under the Commission of Inquiry Act. The Commission could gather the evidence and place it before the Minister, upon which the Minister could act. Some of these smaller bodies could be amalgamated with the counties, and in the case of Road Boards they might be amalgamated with the adjoining boroughs.

Mr. MOORE said that was all very well. It was a very unfortunate matter for boroughs throughout the whole Dominion. If they limited the number of inhabitants to 1,000, that would be small enough.

Mr. EVERETT (Nelson) said there was another aspect of the case. It not infrequently happened that in the counties there might be a populous part immediately adjoining a borough. It would be found that a county often lost quite enough by the creation of boroughs within its borders. To allow a Commission to pick out the eyes of a county and tack them on to a borough might result in a great loss of revenue. It was not improbable that they might get under this clause a certain part of a county tacked on to a borough, and thereby the county would stand to lose a good deal of revenue. That was a thing that would have to be conserved.

Mr. BAILEY (Waikato) desired to point out that Report No. 2 overlapped Report No. 3.

Mr. HORRELL (North Canterbury) desired to point out the same thing—namely, that in No. 3 report there was this clause: "The Committee recommend that all town districts with a population of 500 and upwards be formed into boroughs; that all town districts with a population under 500 be merged into counties, provision being made in the Counties Act for the establishment of local Committees, by election or otherwise, to administer under the control of the County Council; that the counties should have the power now exercised by the present town districts, which may be delegated to committees." There a definite number was stated, and he thought perhaps the other Committee might indicate something in the same direction.

Mr. PARR said that the clause in the report of his Committee had reference only to town districts. He did not see anything that was necessarily inconsistent in the two reports. The point was that those very small boroughs should be merged into the counties, and the same with Road Boards. The danger that Mr. Everett pointed out of a district of a county being taken into a borough did not occur in this clause.

The PRESIDENT said that this clause would be deferred until they came to the other one, and they would consider the two of them together.

Clause 3 accordingly deferred.

Clause 4.—"*Subsidies.*—That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties."

Consideration of this clause was also deferred.

Mr. PARR (Chairman) moved the adoption of clause 5, namely: "*Town-planning.*—That this Committee is of opinion—(a.) That special legislation to provide for town-planning is urgently required. (b.) That in particular it is necessary in the public interest that the subdivision of suburban areas for settlement should be more strictly supervised than hitherto. (c.) That any town-planning authority should be representative of the local authorities affected, or likely to be affected, with the addition of special experts on the subject."

Clause agreed to.

REPORT OF COMMITTEE NO. 3.

Mr. JULL (Chairman of No. 3 Committee) brought up the Committee's report, which was prefaced as follows: "The Committee set up by the Conference to consider Counties, Road and Town Boards, with Special View to Abolition and Amalgamation of Minor Local Bodies and Enlargement of Counties, have the honour to report that they have carefully considered the same, and beg to make the following recommendations to the Conference: The Committee proceeded to business on the assumption that the proposed provincial districts be abolished." He moved the adoption of clause 1—namely: "*Domain Boards.*—The Committee recommends that all Domain Boards within counties be vested in County Councils or municipalities."

Mr. GARLAND (Auckland) explained that he was not on this Committee. Recommendation No. 1 was an essential beginning to give the County Councils authority over those particular reserves, and it would abolish a great many of those local bodies which were spoken about yesterday.

Mr. LIFFITON (Wanganui) said there was a domain in the Wanganui County. The resolution would take it away, and hand it over to the county.

The PRESIDENT explained that the words "or municipalities" were meant to meet such cases as Mr. Liffiton had referred to.

Mr. FISHER (Southland, Wallace, and Fiord) said the members of the Boards in question gave their time and attention to the work of the collection of rates and rents, &c. He was in favour of those questions dealing with the merging of districts being referred to the Commission proposed to be set up, as recommended in Report No. 2, and that the Commission should have power to take evidence throughout the Dominion respecting the desirability or otherwise of general or specific merging. The Boards had carried out their duties in all respects in a very satisfactory manner. It was desirable that the Commission should recommend before they abolished those bodies, who would thereby have an opportunity of expressing their views.

Mr. MILLIGAN (Oamaru) proposed the addition of the following words to clause 1: "and where a domain is adjacent to several boroughs the said domain shall be controlled by the largest local authority."

Mr. BAILEY (Waikato) thought the law should be left as at present with regard to Domain Boards. The Cambridge Domain was under the municipality at one time, but there was now no better-kept domain in New Zealand. The idea of the towns was to smash up all small local bodies, and put in their places what they called "parish councils."

The PRESIDENT desired to say that, in regard to a case like that of Cambridge, the Borough Council would become the controlling authority, and would be the Domain Board. Under Mr. Jull's proposal there could be a local Committee set up, but the administration would be through the Council.

Amendment agreed to, and clause as amended agreed to.

Mr. JULL moved the adoption of clause 2—namely, "*Road Districts*.—The Committee recommends that the present dual system of control by counties and road districts should cease, that the county system be the system that should be retained, and that due regard should be given to the interests of the districts now under the control of Road Boards with regard to representation and otherwise. The Committee also recommend that in the meantime some simpler method be adopted for merging Road Boards into counties than at present exists, such as by taking a poll."

Mr. PARR (Auckland) took it that the Committee had in mind only the Road Boards of country districts. How about road districts that were in the cities, and that were really carrying on city functions? They could not amalgamate them with any County Council.

The PRESIDENT explained that they were under clause 3 of Mr. Parr's Committee's report.

Mr. PARR said the President had deferred that, and he (Mr. Parr) took it that this recommendation applied only to country districts.

Mr. VENN (Wellington) thought the resolution was too sweeping altogether. It was all right in old-settled districts, where the Road Boards had done their work. The question should come before the Commission, who could say what Road Boards should be left and what should be merged. He moved, That the question of merging Road Boards be left to the Commission of inquiry.

Mr. EVERETT (Nelson) said that in many cases Road Boards were doing good work, and should not in such cases be abolished. There were six members on each Board, and they gave their time gratuitously. They got the kind of road they wanted, and they alone used the roads. It was entirely different with trunk roads passing from end to end of a county. He failed to see any valid reason why such Road Boards should be abolished. Their abolition would result in much expense to the country in the way of inspection, &c. The least the Conference could do was to support the setting-up of a Commission of inquiry to investigate the matter. He took the liberty of saying that many representatives would lack the minute knowledge of country affairs that would enable them to vote intelligently. Concentration sometimes was good and sometimes was not. Road Boards were scattered over the country doing their work well, and costing the country nothing. Why did they want to abolish them? It would cost a large sum of money to the various counties. By all means let the matter be referred to the Commission.

Mr. M. J. COYLE (Mount Albert, Auckland) thought they should have some definition of what was meant by country Road Boards. He might remark that there were Road Boards that were larger than some boroughs. The Remuera Road Board, for instance, had a capital value of a million and a half, and there were several Road Boards the capital value of which varied from half a million to a million and a half; and these Boards, he thought, ought to be taken into consideration. These districts might be told they could go into the boroughs, but the reason they did not was that they believed they could manage their own affairs more economically as they were. He thought they ought to say that a country Road Board should be one within ten miles radius of a city.

Mr. JULL (Hawke's Bay) said the matter had been debated before the Committee at length, and he was quite satisfied they have given ample consideration to the views of the opponents of the absorption of road districts. As a matter of fact, the motion that had been carried had been moved by the representative of a county in which there was a very large number of road districts. He would like to say a word or two in reference to remarks that had been made. In one case a gentleman had stated that the road districts were doing the work of the backblocks. Now, he submitted that nearly all the road districts were in those portions of the counties that had been settled for a long time, and the people were retaining the Road Board system, probably considering it the best; but the experience of the country generally clearly indicated that the county system was preferable. In reference to this subject, they had been told that one of the purposes of the Local Government Bill was to simplify the procedure and to reduce the number of local bodies they had in the country. The figures quoted by the President indicated that there was very considerable divergence in the cost of the administration of the different bodies. Speaking of the Eden County, with its Road Boards, he wished to point out to the Conference that the Eden County had a total area of forty-three square miles, and within that area there were twelve or fourteen road districts. He appealed to the Conference to consider if these were a class of bodies that ought to be administering Road Board functions. Then, take the adjoining county of Manukau: there were twenty-seven road districts, two town districts, and two drainage districts, or thirty-one districts, with 155 members of local bodies, administering the affairs of one county.

A delegate: They do not get anything for it.

Mr. JULL replied that neither did the members of County Councils get anything for their services. He would take a case in point. The Southland County had an area of 4,000 square miles and a revenue of £40,000, and its affairs were administered, and well administered, by nine persons. Then the County of Hawke's Bay had an area of 2,000 square miles, and its affairs were excellently administered by nine persons. Could it be really necessary, at this stage in the experience of the country, to cite cases of this kind for the purpose of securing the abolition of such a multitude of local bodies? He thought not.

A delegate: They are not paid local bodies.

Mr. JULL was not suggesting that they were paid, but the probability was that the affairs of a number of these local bodies, such as those that were administered by Road Boards in the County of Eden, could well be brought under municipal administration; and, at any rate, so far as the counties were concerned, the Committee considered the time had arrived when the Road Board system should be abolished. With reference to the question of main roads, Mr. Everett had feelingly portrayed the iniquity of taking away the Road Board administration,

because the Road Boards were doing the work of the by-roads; but the work of the by-roads was being done in 100 out of 124 counties in New Zealand by the counties, and it was being done well. He would point out that the bulk of the expenditure now was not upon what people called main roads—that was, arterial roads—but it was upon district roads, and it seemed to him quite proper that these should be brought under county administration. It was surely evident that if they were to do anything in the shape of reducing the number of local bodies they should begin by passing a resolution affirming the decision and recommendation of this Committee.

Mr. PARR (Auckland) was inclined to think the recommendation of the Committee a little too drastic. He thought there were a great many unnecessary Road Boards, but was not inclined to agree that all Road Boards were unnecessary. In their district—in the far North—there were between fifty and sixty of these Road Boards, and some of them, to his certain knowledge, were doing excellent work, and work which he did not think the County Councils would be able to do anything like as well. For these Road Boards they got hold of men familiar with local requirements, men who were living on the spot, and were able to do the pioneer work of roading these districts in a thoroughly efficient and, he thought, in many cases, in the most economical manner. He would suggest that the same line should be taken with the Road Boards as they had suggested with regard to local bodies contiguous to cities—that each case should be investigated on its merits, and that wherever the Commission, after making inquiries, was satisfied that a Road Board was unnecessary it should go into the county. He was sure there were cases in the north, which was an entirely different country from that in which Mr. Jull's instances were to be found, where great hardship would be done if these local bodies were wiped out at one fell swoop. They ought to apply the pruning-knife vigorously; but before they recommended the Government to abolish absolutely the Road Board system there should be inquiry. The circumstances of the districts varied extremely, and they must not forget that though possibly in such a district as Mr. Jull had mentioned it was absolutely necessary the Road Boards should go, that did not apply to other districts. Special circumstances existed in certain areas, and those circumstances should be the subject of inquiry by a Commission. The County of Eden had been mentioned by Mr. Jull, and there were in that county of 43 square miles fourteen Road Boards but there was no County Council in that district. The county really comprised the City of Auckland and some suburban boroughs, and the Road Boards were contiguous to the boroughs. There was no question, in his mind, that they should rather ask the Commission to say which should go out. The Committee had suggested the propriety of Commissioners investigating on the spot, and deciding which should be merged in the city; and he suggested that they should take the same step, and act in a judicial manner, in connection with the country Road Boards.

Mr. F. HORRELL (North Canterbury) thought the main object of the clause was to have one system of control. Where there were Road Boards in a county there were two systems, and the proposal was to do away with one of them. So far as Road Boards were concerned, these bodies had no doubt done excellent work. A year or two ago he remembered a resolution had been carried at the Conference in favour of abolishing Road Boards, and he had strongly opposed it, for the reason that in the county he came from the Counties Act was suspended and the Road Boards were doing the work, so that there was not two systems of rating. As soon, however, as the Act was altered they had decided to adopt the county system by amalgamating two or more road districts. They were now, therefore, working under the county system, having abolished the Road Boards and merged the two districts into a county. If the matter were taken into consideration, he thought it would be admitted to be far better, instead of having two local bodies striking rates, to have but one. So far as Road Board districts were concerned, it was easy enough to have that district converted into a riding of the county, and so to have representation for it. If the gentlemen representing Road Boards took this into consideration, he believed they would see that the proposed system would work perfectly well.

Mr. H. R. FRENCH (Auckland) remarked that he had been a member of the opposition on the Committee in connection with the recommendation made. It seemed to him that in the Auckland district there would be a lot of resistance to this proposal. So far as Road Boards were concerned, their own county had last year lost subsidy because another Road Board was in existence—they had lost a matter of £85. In the evidence before the Committee it had been stated that the tendency was to merge local bodies, and it seemed to him that the County Councils were able to deal with that in the right way should the tendency continue. In one riding in their county they had three different centres, and each little centre appointed its members, because the setting-up of three Boards protected their own interests, and they got their own rates spent in their own localities. If the road districts had not the inducement which existed in the way of subsidies to remain as separate bodies, they would merge into the counties, and in that manner the way would be cleared without any compulsory abolition.

Mr. E. N. LIFFITON (Wanganui) indorsed all Mr. Parr had said with reference to the Road Boards in the far North. In some instances the members would not be able to attend to their duties in a county once in three months. This was the portion of the country that was known as "the roadless North," and in bad weather a man would not be able to get about to attend to business. All the objections the various members of the Conference had raised might be met by Mr. Parr's suggestion—that a Commissioner should be authorized to report on the subject; and the Minister would then be able to carry out all that was wanted, because an independent Commissioner would tell whether a road district ought to be absorbed into a county or whether it should be allowed to work out its own destiny. As it was, every Road Board had power to merge into the county, and so, especially with regard to the far North, if they had what Mr. Parr had asked for, they would have all that was necessary. To force the Road Boards into the counties would be unwise, because it would be impossible for members to attend county meetings. There should be a Commission set up to inquire what Road Boards should be merged and what should be allowed to work out their own destiny.

Mr. FISHER (Southland) would like to take members' attention from the far North to the far South. They heard a great deal about the difficulties of the far North, and the roading problem that existed there; but three or four counties in the south were the largest counties in New Zealand. The County of Southland contained something like 3,700 square miles; the County of Westland 3,400 square miles; and the Lakes County something just under 3,000 square miles; while the undeveloped county in which all the scenery was—the Fiord County—comprised about another 3,000 square miles. The Southland and Wallace Counties were, he believed, at one time riddled with Road Boards, but these had been abolished, and the counties were administering the work of these numerous bodies; and they had it on the authority of the Minister and of Mr. Jull that the Southland County was one of the best managed in the Dominion. Then, they had 100,000 acres in the County of Wallace, in its natural state, wanting roads, bridges, and railways for its development quite as urgently as any part of the North Island. Yet this county did not require a single Road Board. The County Council was quite capable of undertaking the work and carrying it out successfully without having half a dozen Road Boards under it. It should also be remembered that they had climatic conditions to contend with that did not exist in the far North. It was just as difficult for the people to get about in the counties mentioned as in any district in the far North, and yet they had only County Councils for that vast amount of territory, which was kept in order; and they had three engineers attending to the outlying parts. If these conditions were right in the south, he did not see why there should be any insuperable difficulty in applying the same system in the north. It should be remembered that they had met for the purpose of making some reasonable recommendation that would be applicable to the Dominion as a whole. It was all very well saying the Road Boards were doing their own work and spending their own money, but there was the cost of administration to be considered, and the figures showed that the cost of administration was so large a sum of money that something very considerable ought to be saved upon it. The amount that could be so saved would surely go a long way towards roading some of the road-lines, so that he thought the recommendation of the Committee was in the right direction. If they were not to abolish Domain Boards and Road Boards, there would be nothing done in this direction for the next twenty-five years. They had now assembled gentlemen from every part of the Dominion who had worked in connection with local bodies. He believed there was a full representation of those bodies; but whether there was full representation of counties, Road, River, and Drainage Boards or not, those who possessed the best knowledge of the interests affected were the men who had recommended the absorption of the small bodies; and if they were going to do anything practical they should adopt the recommendation Mr. Jull had read out. He claimed that they were in as good a position to act as experts upon this subject as any Commission that could be set up, and the action would not be so arbitrary as if the power were put into the hands of one or two men who might be travelling round the country for the next five years. He thought the motion was in the right direction, and hoped that it would be carried.

Mr. GARLAND (Auckland) said he wanted to add, if possible, an addendum to the motion.

The PRESIDENT said there was already one amendment before the Conference.

A delegate wished to know if it was the ruling of the Chair that certain members could stand up and air their views five or six times on one subject, giving no one else a show.

The PRESIDENT remarked that he had not endeavoured to enforce the usual rule of one speech on one item, but he thought it should be a matter of good taste on the part of those who had already spoken on a question not to speak again upon it, and to relieve him of the responsibility of telling them they had already spoken. It seemed to him the matter had been fully discussed, and, with their permission, he would put the question to the vote. He had a motion and an amendment, and as the amendment traversed the motion, he would put the amendment first. Before doing so, however, he would like to say one or two words. The position was this: the country had been crying out for years past for reform in connection with local government, and one of the reforms undoubtedly asked for was that the number of local bodies now existing should be reduced, in order that they might have a simpler and better system. Throughout the whole country, he believed, there was a desire to see strong counties formed, and Mr. Horrell had given an excellent illustration of how this could be done in the district he came from, where the Counties Act had not been in force, and where the county had now been brought into operation, and the work of two Road Boards was being done by one county, to the advantage of the people. Mr. Fisher had also given examples from the south, and he was himself able to speak from personal knowledge of Hawke's Bay, where the county, which was excellently managed, had no interior Road Boards at all. If that system was good for one part of the country it ought to be good for other parts of it. He quite admitted there was a sentimental attachment to existing bodies which had to be considered, and it might be somewhat harsh if there were brought into force an Act that would have the effect of compulsorily submerging the small bodies. It had been stated that there were fourteen Road Boards existing in one county of 43 square miles.

A delegate: Twelve.

The PRESIDENT replied that even that meant that there should be twelve offices, twelve secretaries, and twelve different bodies of men doing what in other districts was done in one office by nine men.

A delegate: What about the population?

The PRESIDENT said, so far as that was concerned, if the districts carried a large population they ought to consider whether they would not form themselves into boroughs, and take upon themselves the higher form of municipal government. He would now put the amendment which had been moved by Mr. Venn and seconded by Mr. Everett, namely: "That the question of merging the Road Boards be left to a Commission of inquiry."

Amendment declared negatived on the voices, and on a division being called on a show of hands there voted for the amendment nineteen, and an overwhelming majority of delegates voted against it, the President remarking that there was no need to count them.

Amendment negatived, and clause 2—“*Road Districts*.—The Committee recommends that the present dual system of control by counties and road districts should cease, that the county system be the system that should be retained, and that due regard should be given to the interests of the districts now under the control of Road Boards with regard to representation and otherwise. The Committee also recommends that in the meantime some simpler method be adopted for merging Road Boards into counties than at present exists, such as by taking a poll”—agreed to.

Clause 3 of the report of No. 2 Committee—namely, “That with respect to the smaller rural boroughs and those Road Board districts adjoining the cities or forming part of the suburban area of the cities or boroughs, this Committee is of opinion that the Government should set up a Commission of inquiry under the Commissions of Inquiry Act to report as to which of these bodies can, in the public interest, be amalgamated with the counties or adjacent boroughs, as the case may be. This Committee expresses the view that such amalgamation in many cases is desirable, and should, if necessary, be compulsorily effected”—agreed to.

Mr. JULL (Chairman of No. 3 Committee) moved the following recommendation of that Committee: “*Town Districts*.—The Committee recommend that all town districts with a population of 500 and upwards be formed into boroughs; that all town districts with a population of under 500 be merged into counties, provision being made in the Counties Act for the establishment of local Committees, by election or otherwise, to administer under the control of the County Council; that the counties should have the power now exercised by the present town districts, which may be delegated to committees.”

Mr. STUDHOLME (Ashburton) said that at the request of Ashburton he desired to move, after the words “town districts with a population of under 500,” the following words: “That the Commission of inquiry agreed to be set up in connection with clause 3 of the report of No. 2 Committee should also report with regard to those town districts which are coterminous with boroughs as to whether they should be merged into the county or into the coterminous borough.” There was a strong feeling in Ashburton that the contiguous district should be merged into the town or into the county.

Mr. McLAREN (Wellington) seconded the amendment. It applied to town districts what had been applied to road districts.

Mr. MOORE (North Canterbury) thought these districts should be merged into one or the other. They did not need to make a hard-and-fast rule in the matter.

The PRESIDENT said he was going to suggest that it was not necessary to insert the amendment on the main question. The position would be met if, after the word “county,” they inserted the words “or into adjacent boroughs.”

Mr. STUDHOLME accepted the suggestion of the Minister in preference to what he had proposed; and

Mr. JULL accepted the amendment as part of the clause he moved.

Mr. EVERETT (Nelson) said already the counties were suffering quite enough by the creation of boroughs. He thought there should be a minimum population of 1,000. He would move, That “500,” after “town districts with a population of,” be struck out, and “1,000” inserted in lieu thereof.

Mr. BAILEY (Waikato) opposed the amendment. It was simply smashing up everything.

Mr. FISHER (Southland, Wallace, and Fiord) said that a few years ago a town district was created in his district in accordance with the present Act, and they desired to be retained in that position. It would be a great mistake to put them into the borough.

Mr. RITCHIE (Wanganui) said that whoever got the town districts, the counties should not get them.

The amendment moved by Mr. Everett was negatived, and the clause was agreed to.

“*Cemetery Boards*.—The Committee recommend that the same provisions of administration as recommended to apply to Road Boards should apply to Cemetery Boards.”

Mr. JULL, in moving the clause, said he desired to correct the wording of it. The Committee wished it to read as follows: “The Committee recommend that the same provisions of administration as recommended to apply to domains should apply to cemeteries.”

Mr. W. S. MASLIN (South Canterbury) said, before they proceeded to Cemetery Boards, seeing that they had decided that all town districts with a population of less than 500 were to be merged into counties or adjacent boroughs, they should also deal with boroughs that had a population of less than 500. It seemed an anomaly to wipe out town districts with a population of less than 500 and continue boroughs that were in a worse condition as far as population was concerned. The reason why Committee No. 3 did not deal with the matter was that they thought the other Committee would do so.

The PRESIDENT said he would have to rule against Mr. Maslin on this point, on the ground that the matter had already been dealt with by resolution No. 3 of Committee No. 2—“Smaller Rural Boroughs and Road Boards in Cities.”

Mr. J. FISHER asked whether the counties had power to delegate their powers in connection with cemeteries to individuals.

The PRESIDENT.—Do you mean to one individual, or to a body who would constitute themselves a committee?

Mr. FISHER asked, Could the Council delegate power in connection with each cemetery to, say, four or five people?

The PRESIDENT did not know that they could under the present law, but did not think there would be any difficulty in arranging that what could be called a Cemetery Committee should be established under the control of the county.

Mr. FISHER said if this were the law he would be inclined to vote for the clause, but he thought it would cause a great deal of expense and trouble if counties administered cemeteries scattered throughout the district.

The PRESIDENT said that what Mr. Fisher suggested would be provided for in any Bill dealing with the matter. The County Councils would have authority to delegate the management of cemeteries, so there would be local control.

Mr. J. W. McEWAN (Petone) asked if the mover would agree to this addition to the clause: "except that when a cemetery is situated in a county, and serves one or more adjacent boroughs, provision should be made for joint control."

Mr. JULL said he had no objection to this.

The PRESIDENT said this matter was covered by what he had stated. The proposal was that the law relating to Cemetery Boards should be the same as that relating to Domain Boards, and the position now placed before the Conference would be provided for in any legislation that might be brought down.

Clause as corrected—namely, "The Committee recommend that the same provisions of administration as recommended to apply to domains should apply to cemeteries"—agreed to.

"*River Districts and Drainage Districts.*—The Committee recommend that river districts and drainage districts that operate within the confines of a county be abolished, and the duties of existing Boards be carried on by the County Councils or Borough Councils or a joint committee, as the case may be."

Mr. A. E. JULL (Chairman) moved the adoption of the clause. There was a verbal alteration needed. After the word "joint" it should read: "or local committee, as the case may require."

Mr. F. W. VENN (Horowhenua County Council) thought this clause too sweeping. He came from a district where a Drainage Board had added thousands of pounds to the wealth of the country. These Boards had their particular advantage. He would like the clause amended so as to abolish forcibly only those Drainage Boards that had practically finished their construction-work, and existed simply for maintenance purposes. Some of the River Boards, he understood, existed simply in order to collect the rate to pay interest on their loans. All these might well be abolished, but Drainage Boards in active operation, borrowing money and building new drains, it would be a mistake to do away with. Their duties were very peculiar. They were small bodies, the members of which had a most intimate knowledge of every section of land the drains went through. They knew the geography of the country, and all the little details it was necessary to know in carrying out land drainage on a small scale. In his county all the drainage districts had been very small ones, and the Boards had had a most intimate knowledge of their work, and this was a thing that no County or Borough Council could have, unless it went to an immense amount of trouble. County Councillors could not spend the time to fossick out all the little details. He would move the following amendment: "That where Drainage and River Boards exist only for maintenance of constructed works, or for the collection of interest on loans, these Boards should be abolished, and their duties carried out by the County Council or Borough Council, or a joint committee, as the case may require."

Mr. J. BAILEY (Waikato County Council) seconded the amendment. He came from a district where there were eighteen or twenty Drainage Boards. These Boards understood thoroughly what they wanted. They raised the money and drained the land, and had increased values in the Waikato by thousands of pounds. They should be left alone. They were quite satisfied, and did not want to be absorbed.

Mr. R. EVANS (North Canterbury) said that in dealing with this matter in the Committee they were trying to do away with the multiplicity of Boards. There was one of these Boards in the district he represented, and he was sure it would be very much better to place it under a larger body. A County Council had power to do special work in a particular district, and control that work.

Mr. D. STEWART (Balclutha) said there was a local body in his district which would come under the clause they were considering. One of its functions was to run two steamers for the benefit of the settlers. It was not a Harbour Board or a River Board; it was really a River Settlers' Board. It had five members, three of whom were elected by three County Councils, and two were appointed by the Government. It did not levy rates, its revenue being derived from the earnings of the steamers and from an endowment. This Board was therefore in a different category from the River Boards intended to be effected by this recommendation of the Committee. There might be some other Boards of the same kind in the Dominion, but he did not know of any. He intended to move to add at the end of the clause: "but this shall not apply to a River Board carrying on special work under a special empowering Act."

Mr. VENN's amendment negatived.

Mr. WILSON moved the following amendment: "To strike out the words 'that operate within the confines of a county,' with a view to inserting other words."

The PRESIDENT said that Parliament would not attempt to interfere with special legislation passed in the interests of a particular district. He did not think, therefore, that Mr. Stewart's proposal was necessary, although it might stand as an expression of opinion. It would be almost unheard of if in a measure dealing with the general question of local government there were to be direct interference in the way of a repeal of special Acts of Parliament that had been passed for a particular purpose. He was inclined to think he ought to rule out of order both amendments that had been proposed as not coming within the scope of the Conference.

A delegate remarked that nearly all River Boards were regulated by special Acts of Parliament.

The PRESIDENT said there were very few of that kind, and they would only be in cases of very special and peculiar interest, where special legislation was required for the purpose of dealing with something that was not covered by general legislation.

Mr. ARMSTRONG (Wairau) said that in the Wairau district they had two River Boards and one Harbour Board operating on the same river.

The PRESIDENT.—Under special legislation?

Mr. ARMSTRONG.—Yes.

The PRESIDENT said that was where a Commission would come in, and should be set up.

A delegate: They were always at loggerheads.

The PRESIDENT stated that he had asked Mr. Hislop, Under-Secretary of Interior Affairs, to make a special note of that, and in connection with any legislation that might be brought down he (Mr. Russell) would have that question looked into.

Amendment moved by Mr. Wilson negatived.

Amendment moved by Mr. Stewart—namely, “To add at the end of clause 3, ‘but this shall not apply to a River Board carrying on special work under a special empowering Act’”—negatived.

Mr. Jull’s verbal alteration agreed to, and clause as amended agreed to, namely: “*River Districts and Drainage Districts.*—The Committee recommend that river districts and drainage districts that operate within the confines of a county be abolished, and the duties of existing Boards be carried on by the County Councils or Borough Councils, or a joint or local committee, as the case may require.”

Mr. JULL (Chairman of Committee No. 3) moved the adoption of the following clause: “*Water-supply Board.*—The Committee recommend that the same provisions of administration as apply to river districts shall apply to water-supply districts.” To make the matter clear in reference to the case which was brought before the Committee last night with regard to the Waimakariri Water-supply District, he moved that the following words should be added to the clause: “but where the operations of a Water-supply Board extend into two or more counties the Board shall continue.”

The PRESIDENT thought the amendment proposed by Mr. Jull quite unnecessary, for the reason that the Committee recommended that the same provisions of administration as applied to river districts should apply to water-supply districts, so that any alteration that was made would only be in cases of those Water-supply Boards which were within a single county.

Amendment proposed by Mr. Jull agreed to, and clause 4 as amended agreed to.

Mr. JULL moved the adoption of the following clause: “*Harbour Boards.*—The Committee recommend that County Councils or Borough Councils be empowered to exercise the duties of Harbour Boards in such cases where there is at present no Harbour Board, but that in such cases the county should do this work in its capacity of a county instead of a Harbour Board.” He moved also to insert after the words “in such cases the county” the words “or borough,” and after the words “of a county” the words “or borough.”

The PRESIDENT suggested, after the words “no Harbour Board,” they should insert “or where the residents so desire.”

Mr. FISHER said it was hardly possible for the Conference to deal with every little thing. Individual cases could be dealt with by special request.

The PRESIDENT thought there was a great deal in what Mr. Fisher had said. They could not deal with every possible exception and every possible case. Naturally a Bill like this would be looked at from its broad point of view, in order to ascertain as nearly as possible the general sense of the Conference and the wish of the country.

Motion to insert the words “or where the residents so desire” negatived.

Mr. Jull’s amendment agreed to, and words “or borough” inserted.

Clause as amended agreed to.

Mr. JULL moved the adoption of the paragraph following the previous clause, viz.: “The Committee recommend that, in the case of the merging into the counties of any class or classes of local bodies, all the powers and duties now exercised by such bodies be given to the County Councils.” This was to provide machinery for carrying on the administration of Town Boards and Domain Boards, &c.

Mr. VENN (Horowhenua County Council) moved, That licensing districts and Licensing Committees be abolished, and that the functions and duties of such districts and Committees be vested in the local bodies. He was credibly informed that the effect of his motion would be the abolition of sixty Licensing Committees, and relieve sixty Magistrates for other work. The Horowhenua County Council had to pay £150 last year for election expenses, and all this could be saved. The local bodies could do the work very much better and cheaper.

Mr. Venn’s amendment negatived.

Mr. FISHER moved to strike out the word “other” before the word “class.”

Amendment agreed to.

Mr. HARLEY (Nelson) said that in many ways County Councils had not had sufficient powers. In passing any new Bill the Government should give them extended powers, similar to those enjoyed by the Municipal Councils. The Municipal Corporations Act gave much more power than the Counties Act. Furthermore, in the matter of making by-laws, in many respects the counties’ powers were very much restricted.

The PRESIDENT asked if it was Mr. Harley’s suggestion that the powers of the counties should be similar to those of the boroughs.

Mr. HARLEY replied that he could hardly say that, because it might not do in all instances. There were many things that County Councils could deal with efficiently had they the power. He would move that sufficient powers be given, namely: That powers sufficiently wide to enable the County Councils to efficiently carry out all the functions now imposed upon them be given them.

The PRESIDENT, referring to the point that had been raised, said that it was a very important one. He proposed to communicate with Mr. Martin, who was solicitor for the Municipal Association and the Counties Association, and would be glad if that gentleman would furnish him with

any recommendations as to amendments necessary in the law for the extension of the powers of County Councils.

Amendment moved by Mr. Harley agreed to, and paragraph agreed to.

Mr. JULL moved the adoption of the following clause: "*Counties*.—That this Committee is of opinion that the multiplicity of small counties is a mistake; that the number of counties should be reduced, and that a Commission should be set up to inquire as to where amalgamation can be made, keeping in view the size, population, valuation, and community of interest of such counties." He desired to insert the word "materially" between the words "be" and "reduced."

Word inserted, and clause as amended agreed to.

Mr. JULL (Chairman) moved the adoption of the following paragraph: "That the Committee affirms the desirability of retaining the present system of county franchise."

Motion agreed to.

Mr. JULL (Chairman) moved the adoption of the following clause: "That for representation purposes the present system of ridings in counties be retained, and the County Councils have the option of keeping riding accounts or not." He desired the following verbal alterations made: that "and" be struck out and "but that" inserted in lieu thereof, and the words "as they think fit" added to the clause.

Mr. LIFFITON (Wanganui) objected to the clause, for the reason that it would put backblock ridings of counties at serious disadvantage. At present the backblock ridings had a certain percentage of their own to pay away and spend. Under the proposal, in some counties at any rate, such backblock ridings would have no chance whatever, and they ought to be considered.

Mr. EVERETT (Nelson) considered that it should be obligatory on counties to keep separate riding accounts, unless they found a body of men who would do absolute justice in all cases. The keeping of accounts prevented exploitation, and, although it might cost a little more for book-keeping, it insured justice for those immediately concerned. Certain parts of the county would be more or less exploited for the benefit of other parts. The present law saved the situation, and why was it proposed to throw it aside? It should be obligatory to keep riding accounts.

Mr. MIDDLETON (Southland) asked if it was not a fact that various ridings might strike a differential rate at the present time? Therefore they had to keep separate accounts, although they were not compelled to strike differential rates. In Southland they kept separate riding accounts now, and they were going to strike differential rates this year. It was manifestly unjust, seeing that some ridings did not require the same amount of money as others, to compel them to rate themselves. The riding that he represented was described as a backblock one, and road-material was very expensive, and it was absolutely necessary that they should strike a higher rate than some of the other ridings.

Mr. STUDHOLME (Ashburton) moved, That all the words after the word "Council" be struck out, with the view of inserting the following words: "shall keep riding accounts."

Mr. BRUCE (North Canterbury) said the idea of the Committee in passing this was to make provision for several counties—a good many, in fact—in which it was not necessary to keep riding accounts, as the rating was the same all round. The object was to make it come within the scope of a county to keep the accounts as a whole. The riding accounts would be kept naturally where there were different rates imposed, but this was to provide for exceptions.

The PRESIDENT said the present position was, as the law stood there had to be ridings and there had to be riding accounts. The Bill brought down proposed to abolish the ridings altogether, so that each county would be for representation purposes only one body. The proposal now before the Conference was that the ridings should remain compulsorily for election or representation purposes, but that the question of the keeping of riding accounts should be at the option of the county itself. Of course, in such a case as Mr. Middleton had mentioned, of there being differential rates, it would be necessary to keep riding accounts. They would understand that if the whole clause was struck out, then the law would remain as at present, and that would mean compulsory ridings, both for representation and riding accounts.

Mr. MAXWELL (Taranaki) remarked that the counties were in doubt as to the law, and it would be well to make the point clear.

Mr. R. EVANS (North Canterbury) asked whether, if the Conference decided to throw that out, the Minister would take it as an indication from the Conference that they wished to retain the ridings under the old law.

The PRESIDENT would read the law as it stood, so as to settle the point raised by Mr. Maxwell: "Separate accounts shall be kept of each riding of the county of any works in that riding." There was the law, and if they negatived this clause altogether he should take it as an indication that the present law should continue.

Mr. JULL (Chairman of No. 3 Committee) said the position of the counties in New Zealand was very varied, and it had been found in practice that there was considerable difference in the administration, even though the law was as stated. The provisions of the original Counties Act was that the counties had control of the main roads, and the Road Boards had control of the district roads. The main road was a common charge over the whole county. Under the present law there were no main or county roads, and if a county had any road to be maintained by the whole county it must pass a special order creating a main road. There were some counties large enough to work within the scope of each riding, and there were others that preferred, if possible, to have their accounts kept as one general account, and it was for the purpose of giving some elasticity to the administration of the counties that this clause had been inserted.

Mr. VENN (Horowhenua County Council) would like to return thanks to the Committee for reaffirming the system of ridings. The Crown Law Officer who had struck it out must have been in an awful condition. After twenty-five years' experience he said the keeping of ridings accounts was the salvation of local-government finance. If it had not been for the ridings the money would have been squandered far worse than it had been.

Mr. MASLIN (South Canterbury) desired to move an amendment, and one of his reasons for moving it was that they had proposed the abolition of Road Board districts. It was very necessary that the interests of Road Board districts should be safeguarded, as they would be if the present law were retained—that moneys raised in particular areas should be expended mainly in the districts in which it was raised.

The PRESIDENT.—The amendment moved by Mr. Maslin, which will take priority, is this: That the following words be struck out: “for representation purposes,” and “and the County Councils have the option of keeping riding accounts or not, as they think fit.” The clause will then read, “That the present system of riding in counties be retained.” The question is, “That Mr. Maslin’s amendment, ‘That the present system of ridings in counties be retained,’ be a resolution of the Conference.”

Amendment (Mr. Maslin’s) agreed to on the voices, and clause as amended agreed to.

Mr. JULL (Chairman of No. 3 Committee) moved the following recommendation of the Committee: “That a uniform system of accounts be adopted for local bodies.”

The PRESIDENT.—If this is passed and put into law I will put myself into communication with the Audit Department to have a uniform system of accounts for all local bodies in the country—to have only one system throughout New Zealand.

Motion agreed to.

Mr. JULL (Chairman of No. 3 Committee) moved the following clause: “That the present system of triennial election be retained in the counties, and be made to apply to all local bodies, the elections to be held on the same day.” He thought they would agree that the whole system should be made uniform—that was, triennial—and that one day once in three years there should be an election of all local bodies.

Mr. McLAREN (Wellington) was sorry he could not concur in this matter. It dealt with municipalities as well as counties. It was a matter that would be discussed at the Municipal Conference in July. The question had already been discussed by his Council, and while it was deemed desirable that the Mayor should be elected for the same term as the Councillors, it was maintained that the term should be two years. He regarded it that no alteration in the law should take place without the electors themselves being consulted. A merely abstract decision that all elections should be triennial did not appear to him to carry any weight in the matter. The position with regard to parliamentary and local body elections was not entirely similar. The oftener they went before the people the better it was for the administration. He thought that the people themselves had a duty to perform with regard to civic life, and that we should take every opportunity of demanding that it be fulfilled. He could not support the proposal, and would move as an amendment, That the words “and be made to apply to all local bodies” be struck out of the clause.

Mr. NASH (Palmerston North) seconded the amendment. He did not think it was to the interest of the people that the Mayor should be elected for three years. He thought two years was quite long enough.

Mr. PARR (Auckland) was of opinion that there were too many elections in New Zealand altogether. He was strongly in favour of the triennial period. His experience of municipal matters confirmed the view that a good man just got into his stride when he was called upon to face another election. He was quite in favour of having Mayors elected for three years. With regard to the general principles, he was inclined to think that the public would view with favour an election held once every three years. That was sufficiently close for practical purposes, and would be a relief to the trouble and expense of too frequent elections. It would be found that the last of a man’s three years would be the most useful.

Mr. TREVOR (Wellington) thought it was the wish of the Wellington Council to go for three years rather than for two. It would work for economy, and he also thought it would tend to usefulness in the work of the Councils.

Mr. McEWAN (Petone) was of opinion that the people should declare annually on the question of the Mayor. The people appreciated a good man when they got him, and he thought they might be trusted on the matter. With regard to the Councils themselves, he thought a certain number of the Councillors should retire every year.

Mr. G. J. GARLAND (Auckland) supported the motion. His Council had long been of the opinion that triennial elections were the best for all concerned. The question of the election of the Mayor was not affected by the motion, because that was fixed by the Municipal Corporations Act, which fixed an annual election. The people generally who were best qualified to judge whether a man was worthy to fill the Mayoral chair were those who were sitting around the Council table with him. That was done with the election of the chairmen of most other local bodies, and he did not see why it should not also apply in the case of the Mayors of cities and boroughs. With respect to the Councillors, he thought it was better that the whole Council should be elected, and that after that so-many should retire every year. By that means a continuity of policy would be assured.

The PRESIDENT said he did not regard this resolution as having any reference to the election of Mayors. He regarded it as having reference to local bodies’ elections, but the election of Mayor stood quite different and apart. He agreed with several of the remarks which had been made that there was a danger of allowing these elections to run away with useless expenditure. He would just instance one matter. A year or two ago the mode of electing Charitable Aid Boards was altered. The election throughout the country must have cost a considerable amount of money, of which the Government paid half, and he was not sure but that in most instances the same gentlemen as had previously sat on these Boards were returned under the new system.

The amendment, “That the words ‘and be made to apply to all local bodies’ be struck out,” was put and negatived.

Clause as proposed—“That the present system of triennial elections be retained in the counties, and be made to apply to all local bodies, the elections to be held on the same day”—agreed to.

Mr. F. HORRELL (North Canterbury) said, before they finished with No. 3 Committee's report, he would like to point out that one matter had been omitted, and that was with regard to the election of Hospital Boards and Harbour Boards. In an election of that kind it often happened that there was a combined district, including one or more boroughs in counties. Under the present franchise the boroughs had a preponderance of votes, because a man and his wife could vote, while in the county only a ratepayer could vote. In his own county there were two boroughs—Rangiora and Kaiapoi—and these two boroughs, if they combined, could put in whom they chose.

The PRESIDENT.—Have you ever known them to combine?

Mr. HORRELL said, No, but they might. He thought there should be one uniform system.

The PRESIDENT asked if Mr. Horrell had any motion to propose

Mr. HORRELL said, No; he was only making a suggestion.

The PRESIDENT said the matter would be borne in mind.

Mr. A. E. JULL (Hawke's Bay) desired to bring up a matter which the Committee had discussed at its meeting when the franchise in the counties was dealt with. He wished to move the following resolution, and it had a bearing in the direction Mr. Horrell had mentioned: “That the municipal franchise be amended so as to provide for a vote for ratepaying qualification in addition to the residential qualification.” They had had the assistance of the municipalities in discussing some of the county affairs, and he thought it would be just as well if they assisted the municipalities to put their house in order in respect to franchise. The municipalities had assisted to retain the present county franchise, which the County Councils felt was a desirable thing to do; and it seemed to him desirable that the municipal franchise should be amended, because one of the difficulties they were labouring under at present was that the qualification in the boroughs was different from what it was in the counties. They might be able to reduce the anomaly that existed. He wished to point out an additional anomaly: a residential ratepayer in a municipality had one vote; but if he were a non-resident ratepayer he had a vote in his municipality, and he would vote also if he lived in an adjoining borough or county. So they did provide a ratepaying qualification; yet the residential ratepayer was penalized to the extent of one vote. He (Mr. Jull) trusted the matter would receive the consideration of the Conference. If it was proper—and it was, in his opinion, proper—under the present circumstances for the counties to retain their existing franchise, then it was their duty to assist to give the ratepayers in the boroughs some measure of justice which at present was denied them.

Mr. F. HORRELL (North Canterbury) did not think the motion met the difficulty. His difficulty was that if a man lived in a borough he and his wife were entitled to a vote, but if he lived outside the borough in a county, only the man could vote; the wife was disfranchised.

The PRESIDENT said the real position was this: what the county wanted and might get some day was a uniform franchise for local government. The trouble was, Who was going to get hold of the proper thing and carry it through? He could not see the way. It gave him the impression of trying to catch hold of a porcupine.

Mr. D. McLAREN (Wellington) said he would like to meet Mr. Jull in regard to this matter, but would suggest to him that the proper line of reform was to make the county franchise the same as the municipal one. Mr. Jull said that it was undesirable some people should have two votes whilst others had only one, and he proposed to remedy this by giving all ratepayers two votes. He (Mr. McLaren) thought the proper basis for reform was to establish the principle of “one citizen one vote” in respect to local government right throughout. The proposal seemed to him like the counties legislating for the municipalities. He was inclined to think that the electors of the municipalities would have a good deal to say on this question for themselves. There were, to his knowledge, people earning their living in Wellington who, as the law stood at present, had actually no municipal vote at all, yet they had been resident in the city for a long time. He referred to men working out in the harbour on the coal-hulks. Owing to the position of the boundaries these men had no municipal vote. He was desirous of getting a slight amendment of the Act to give these people a vote. The danger in regard to the municipalities, if he did not mistake, was not so much in bringing in the democracy to take part in returning representatives, as in the direction of leaving them out, so that they would have so little concern in the place in which they resided that they would be entirely indifferent to its interests. It would be a very unwise thing for the Conference to carry the motion, because it would be taken as an indication of an attempt on the part of the counties to interfere unduly with municipal rights.

Mr. H. R. FRENCH (Auckland) said, so far as the Committee was concerned, it had not carried any such resolution as that proposed. Certainly one member had expressed himself in that way, but as one who wanted to see the present county franchise retained. They did not wish the municipal ratepayers in any way to interfere with that franchise; consequently the country residents did not wish to interfere with the municipal one.

Mr. F. W. VENN (Horowhenua County Council) said that when a borough and a county were bracketed together for the purpose of returning one or more members to a Harbour Board or Hospital Board, the borough employed the same franchise as when they elected their Council. Why was this privilege denied the county ratepayers? Why should not a county ratepayer have the same voting-power for a Harbour Board as he had for the election of his Council?

Mr. J. FISHER (Southland) entirely disagreed with Mr. Jull in this matter. As one in a very small minority on the Committee, he (Mr. Fisher) approved of the principle laid down in the Bill, and agreed with Mr. McLaren that it would be an absolutely retrograde step if the Conference passed such a resolution as that proposed by Mr. Jull. It would lay them open to

ridicule if a Conference which very largely represented the country should attempt to interfere with the rights and liberties that had been granted to the cities. It would have been much more in keeping if the Conference had seen its way to recommend that the county vote be brought into line with the vote in the cities. He thought Mr. McLaren had struck the right note, and that manhood should be considered supreme to property—at any rate, to the extent of having some say in the election of the representatives who were to carry on the affairs of government. The proposal in the Bill did not go quite that length, because it recognized that property had a distinct right over and above manhood. He hoped the Conference, whatever might be the opinions of delegates as to the rights or otherwise of extending the franchise, would not permit such a glaring blunder as he thought it would do if it carried the motion that Mr. Jull had proposed.

Mr. A. E. JULL (Hawke's Bay) desired to make a personal explanation. According to Mr. Fisher, he was seeking to take away the manhood vote. There was nothing of the kind in the motion. It was only proposed to give a vote to the property-owner himself.

The PRESIDENT suggested that it would be a tactful move on Mr. Jull's part if he withdrew the motion. They were representatives of country districts to a large extent, and for them to pass at that juncture a resolution which was dictatorial with regard to cities would be imprudent. The motion had no possibility of passing, and it might set up hostility on the part of cities to have motions of that nature brought down.

Mr. JULL said he was quite agreeable to fall in with the suggestion. He wanted to bring the matter before the Conference, as he thought it was the only Conference suitable to bring it before outside the Municipal Conference. It was quite competent for this Conference, without infringing on the domain of the municipalities, to have it brought forward.

Motion, "That the municipal franchise be amended so as to provide for a vote for ratepaying qualification in addition to the residential qualification," withdrawn.

Mr. C. N. ORBELL (South Canterbury) asked the Minister his intention regarding subclause 2 of clause 325, referring to bank overdrafts.

The PRESIDENT replied that he had no intention whatever of proceeding with that clause in any Bill that was brought down, because he thought it would be unworkable. He thought it would be in accordance with the wish of the Conference that the law in regard to overdrafts be left as at present.

Delegates: Hear, hear.

Mr. WILLIAMS considered that counties having overdrafts should have power to pay them off. The counties now were unable to get rid of their overdrafts, even if they had the money to pay them.

The PRESIDENT.—You cannot pay off and begin to build up again.

Mr. WILLIAMS replied that the Act provided all necessary precautions, and Councils had no hope of getting rid of their overdrafts in the ordinary way. If the law would allow them they could borrow the money and pay it off in a given number of years.

The PRESIDENT said he would have that aspect of the matter looked into.

Report of Committee No. 3 as amended agreed to, with the exception of the deferred clauses.

REPORT OF COMMITTEE NO. 4.

Mr. J. H. WALKER (Chairman of Committee No. 4) had much pleasure in submitting the report of the Hospitals and Education Committee. Dr. Valintine was of great assistance to them, and he desired to thank him and the officers who attended. He moved, That clause 1 be adopted, viz.: "That this Committee recommends to the Conference that Part IX be deleted from the Bill, the present Act, with some minor amendments, being satisfactory. The present Act, which had been in force during the last two years, was eminently satisfactory as far as it went, and it would be a great mistake if that Act were suspended. It had only been in force for two years, and during that time it had got into working-order. That was evinced this morning by the Inspector-General, who informed them that the working of the new Act was very satisfactory.

The PRESIDENT.—Gentlemen, I have one or two remarks to make about this. In addition to the portfolio of Internal Affairs I also have control of the Departments of Public Health, Hospitals, and Charitable Aid, together with some others. I would like to say that the suggestion contained in clause (b)—viz., that there should be placed upon the estimates a sufficient sum annually to cope with consumption—is entirely in accordance with the proposals I have made to every one of the Hospital Boards that I have had the pleasure of meeting since I became Minister—and I have met a good number of them, and I propose to meet the remainder. There is nothing more important in this country of ours than that we should tackle with serious earnestness this question of what is called the "white plague," referring to consumption. One proposal which the Cabinet intend to bring into effect at a very early date will, I am satisfied, be productive of good results—I refer to the medical inspection of our State schools, and for that work the Government propose to appoint a female medical officer and a male medical officer, whose duties it will be to go from school to school throughout the country for the purpose of examining the children from a health point of view. The effect, I believe, will be that by that means the Government will be able to locate and trace consumption from its very inception in the health of the children who will be examined at the State schools. When that has been done I hope that one effect will be that the cases discovered will be able to be traced further, from their earliest beginnings, so that the disease may be studied, and the parents of the children may be informed of the condition of the health of their children, who, if necessary, with the consent of the parents, could be segregated. By this means the spread of disease would be checked and located in its earliest years. I repeat that this fell scourge must be wrestled with and tackled in real earnestness. There is also, as you know, a Government sanatorium at Cambridge, in the Waikato, and instructions have been given by me since I visited that institution some weeks ago that the officer in charge is to

specialize in every way possible, with the object of collating information for circulation amongst the people. A special library dealing with consumption will be established in Wellington and another in Cambridge, and I intend to issue bulletins, which will be circulated throughout New Zealand, giving information from all parts of the world as to what can be done to prevent and remove tubercular and pulmonic disease of every kind from men, women, and children. With regard to subclause (c), which reads, "That receiving homes be placed in the large centres for the reception of mental incipient cases, cost and maintenance of same to be borne by the mental authorities, &c.," that proposal has my most hearty support, and it is one which I have laid before the Hospital Board at Auckland and at other places. You will agree with me that whenever a man or woman is suffering from mental aberration which may be only temporary we ought to have something better than to throw them into a mental hospital, or, as we used to call it in the old days, a "lunatic asylum." Surely our civilization ought to have reached a higher point than to put men and woman who may only be temporarily deranged in an institution calculated, as soon as they discover they are there, to produce chronic and permanent insanity. While I have control of the Department dealing with mental hospitals it will be my one aim to see that these rest homes may be established, where people can go without the slightest suggestion or taint of being in an insane institution, and be afforded every opportunity of recovery before their cases become so bad that they have to be sent to a mental asylum. Then, as to the latter part of subclause (c)—viz., "also, that the treatment of habitual inebriates should be a charge on the same Department"—that is, charged to the mental hospital vote—I cannot agree to that. I think that the treatment of persons who are habitual inebriates should not be a charge upon the funds of the State directly. Are these cases meant to be delirium tremens cases?

A delegate: No.

The PRESIDENT.—Well, so far as the treatment of habitual inebriates is concerned, that is now entirely paid for at the two islands Rotoroa and Pakatoa—the State pays the whole cost, less the amount recovered from the patients or their relatives. I agree with that, and I think, if necessary, the institutions that will control these people—that will take off our streets these habitual inebriates—should have their powers extended; and I hope the time is not far distant when the scenes we unfortunately witness of homes broken up, of men degraded and women disgraced by excessive drinking, will be removed from our country by a higher degree of civilization being brought about. The last resolution is, "That the Destitute Persons Act be amended." No indication has been given as to the direction in which it should be amended. I hope the chairman will amplify that resolution.

Mr. J. H. WALKER.—I have moved clause 1 only.

Clause 1—"That this Committee recommends to the Conference that Part IX be deleted from the Bill, the present Act, with some minor amendments, being satisfactory"—agreed to.

Clause 2—"That it be a recommendation to the Department to give the following matters its serious consideration—(a.) The alterations of boundaries, either by enlargement or otherwise. (b.) To place upon the estimates a sufficient sum annually to cope with consumption. (c.) That receiving homes be placed in the large centres for the reception of mental incipient cases, cost and maintenance of same to be borne by the mental authorities; also, that the treatment of habitual inebriates should be a charge on the same Department. (d.) That the Destitute Persons Act should be amended."

Mr. J. H. WALKER (Chairman of Committee No. 4) moved the adoption of this clause (clause 2). He was glad the Minister had had an opportunity of expressing his opinion in connection with this clause. He would like to say, with regard to paragraph (a), that this was purely a matter they had taken from the Inspector-General, and it fully explained itself. He was glad indeed the Minister was going to give the question of consumption the earnest attention it required. It had been recognized by all members of Boards throughout the Dominion that this was getting to be a very excessive charge on the Hospital Boards. It was also recognized that to cope effectually with consumption it was necessary that a sum of money should be placed on the estimates out of the Consolidated Fund for this purpose. In Otago—the district he represented—the need was proving itself very great. They had something like thirty-five cases in the Pleasant Valley institution, and the numbers coming in averaged about one a fortnight. It was therefore necessary, if they were to successfully cope with consumption, to do as was done in Great Britain: the Government of the day should place on the estimates a sufficient sum for the purpose. They were very glad to assist the Inspector-General, but it had been recognized—and the Minister had no doubt heard it from the Hospital and Charitable Aid representatives—that it operated very harshly in the country districts that so large an amount of their rates should be taken to pay this tax; and to place more on them at the present day would certainly be very hard. When they were distributing the pamphlets connected with this subject—which was a very good thing to do—he would go a little further, and ask the Government of the day to place on the estimates a sufficient sum of money to help the Hospital Boards to cope with this trouble. This had been unanimously affirmed at a conference held three years ago, but the Government since then had taken no steps in the matter. Certainly the Inspector-General had promised to take into consideration the question of giving a larger subsidy than 24s. in the pound, but so far no effect had been given to that proposal. As to the question of receiving homes, the Hospital Boards of the Dominion were quite willing to take in incipient mental cases, but they recognized that the charge should also be one on the mental institution. Every Hospital Board recognized the trouble in connection with this matter, and Dr. Valentine, he understood, was of opinion that they should be given a certain sum to provide a ward in the larger hospitals for mental incipients. He himself thought that no Hospital Board should be charged for the maintenance of these incipient cases, and he might remark that it had cost them as much as £11 a week in the Dunedin Hospital to treat these cases. It must be realized that it was the duty of the municipal authorities themselves to provide receiving wards, and to pay the cost of the upkeep. The suggested amendment of the Destitute Persons Act

was in the direction of enlarging the charge on those who were related to the destitute person—that was, of bringing in as liable brothers and sisters. In many cases they found these people were a charge upon the charitable aid when they had relations who were well to do. There was a special case of this kind in Dunedin at the present time, where a person who received £7 a week was only sufficiently generous to donate the sum of 1s. 6d. for his relative. They asked that the charge in these cases should be enlarged. He had much pleasure in moving the adoption of the clause.

Dr. COLLINS (Cook) would like to say a few words upon this subject. He agreed with the suggestions in their entirety except in one particular. If they looked at subsection (a) of clause 2 they would see that it provided for "the alteration of boundaries either by enlargement or otherwise." He desired to move, That the term "otherwise" be struck out, and in support of that would like to say that it had been the aim of the medical profession throughout the Dominion always as far as possible to lay down some basis for the centralization of the treatment of diseases; and unless they legislated in the direction of centralization they would find at a later period that the treatment of these diseases throughout the Dominion would not be satisfactory. Now, by the term "centralization of the treatment of disease" he meant that the hospital boundaries should be sufficiently large so that at a later period they could offer to the people who were living within those boundaries all the advantages that were laid down under section 124 of the Local Government Bill—viz., a hospital for the reception of persons requiring medical or surgical treatment; a charitable institution for the reception or relief of children or of aged, infirm, incurable, or destitute persons; a maternity home and a convalescent home; a sanatorium for the reception or relief of persons suffering from consumption or other disease; an institution for the reception of habitual inebriates; and a reformatory institution for the reception of women and girls. The time would come when these recommendations under clause 124 of the Bill must of necessity, for the safety of the population of this Dominion, be carried out in their entirety. Now was the time for the Conference to lay down a basis for the centralization of the treatment of disease, which was necessary, and he thought the Inspector-General would bear him out in this opinion, as would also the entire medical profession throughout the Dominion. He did not say this as a delegate, but as a medical man who was interested in and concerned for the interests of the sick. It was a matter which concerned the profession throughout New Zealand, and he therefore trusted they would strike out the term "otherwise," for it was necessary that hospital boundaries should be enlarged, and the only alteration of boundaries should be in the direction of enlargement, and not of restriction.

Mr. WILLIAMS desired to ask Dr. Valintine if the word "otherwise" did not apply only to one district, the intention being to amend the boundaries of that district?

The PRESIDENT said there might be not merely a question of enlargement but of the adjustment of boundaries that would be purely a minor matter. Of course, the word "otherwise" was only intended to apply where boundaries required adjustment. The outstanding feature in connection with the proposal was an indication on the part of the Conference that wherever possible the hospital and charitable-aid districts should be regrouped in the direction of enlargement, so as to take a smaller district into a larger one.

Dr. COLLINS asked whether, that being so, it would not be practicable to have the matter expressed in better terms.

The PRESIDENT thought the clause was quite clear. The idea was to work on the system laid down by Dr. Valintine, and supported by the Government—viz., that they should have one large well-equipped and up-to-date scientific base hospital in every district, and having that, they should not attempt to have too many hospital districts, but rather to bring the smaller ones into the larger districts for that purpose.

Mr. QUIN (Hawera) said in that case they would make the others cottage hospitals, he supposed. He agreed with the proposal to wipe out some of the smaller hospitals, and to have a larger one.

The PRESIDENT said that would be a matter for the Hospital Boards to consider. He had stated the policy of the Department and the Government.

Mr. BAILEY (Waikato) wished to sneak on the question of boundaries. Some time ago the boundaries had been enlarged, the Waikato district being practically doubled by Rotorua being added. He desired to impress upon them that this had been a very unfair thing for the Government to do at the time. When speaking outside he had mentioned Dr. Valintine's name in this connection, but he wished it to be clearly understood that he had no desire to say anything against Dr. Valintine. He had always found the Inspector-General courteous and obliging, and willing to help them, but the Government had passed an Act putting Rotorua in their district, and Dr. Valintine had had to go to the district and do his best to get it.

The PRESIDENT remarked that the matter Mr. Bailey was alluding to had nothing whatever to do with the Bill or with these proposals. He was quite familiar with the subject, and it might be the Government would be desired to reconsider the point. However, the Government had determined to pay the entire cost of the hospital set up at Rotorua.

Clause 2 agreed to.

EDUCATION.

Mr. J. H. WALKER (Dunedin), as Chairman of the Hospitals and Education Committee, moved the adoption of clause 3—namely, "Your Committee recommends that Part X of the Local Government Bill be eliminated."

Clause agreed to.

Mr. J. H. WALKER moved the adoption of clause 4—namely, "Your Committee suggests that the Minister should take steps to ascertain whether the boundaries of the various education districts cannot be improved"

Clause agreed to.

Mr. J. H. WALKER moved the adoption of clause 5—namely, “Your Committee suggests that the Minister should consider the question of subsidies (or capitation) now being paid to Boards, and Boards of Governors, for technical and manual training and secondary work.”

Clause agreed to.

Mr. J. H. WALKER moved the adoption of clause 6—namely, “Your Committee suggests that the result of inquiries, if made, under resolutions 4 and 5 should be communicated to the Boards for consideration, and for further alteration, if necessary, before any material alteration in the law is made.”

Clause agreed to.

Mr. EVERETT (Waimea County Council) objected that the grouping of the local bodies meant that the most thickly populated centres had the control of the representation.

Mr. D. J. WILLIAMS (Chairman of the Buller County Council) asked whether the time had not arrived to alter the method of the election of Education Boards.

The PRESIDENT ruled that the question raised by Mr. Everett had been dealt with by the Conference, and, because of the resolutions, the question of education was outside the scope of the Conference.

Report of Committee No. 4, Hospitals and Education, agreed to.

SUBSIDIES.

The PRESIDENT asked Mr. Middleton, Chairman of the Committee on Local Government Board, Provincial Councils, and Subsidies, Grants, and Finance, if he would move clause 7 of that Committee's report, dealing with the question of subsidies—namely, ‘That this Committee is of opinion that the system of subsidies should be regulated by the necessities of the district rather than by the amount of rates that may be collected. That Parliament should annually decide what sum is available for subsidies to local bodies, and should set aside such a sum for this purpose. That this sum so set aside should then be divided among the local bodies on a definite principle. That the system this Committee would recommend the Government to adopt is the one that has been in force for many years in New South Wales, and which has been outlined by the Minister in his address. That this recommendation is made without prejudice to the interests of cities and boroughs.’

Mr. MIDDLETON (Chairman of Committee No. 1) would just like to say that his Committee, in making this recommendation, was desirous that some change should be brought about to get away from the present system. It was not that they had any knowledge of the New South Wales system. They were desirous of trying any system other than the system obtaining in New Zealand at present. He hoped that the Conference would devise some scheme more suitable than that which we had now.

The PRESIDENT said that perhaps it might be an advantage if they first took the clause in the Municipal Committee's report dealing with the same subject.

Mr. PARR (Auckland) as Chairman of Committee No. 2 (Municipal, with Special Relation of Inclusion of Contiguous Districts and Town-planning), moved clause 4, as follows: “That the system of subsidies to boroughs be continued, and in the case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties.” It was, he said, really complementary to the clause in the report of Committee No. 1 on this matter, and did not conflict with it at all. He agreed with the remarks that had been made during the Conference regarding large cities, and thought the subsidies should be given to the country districts. The Committee considered that the subsidies to the boroughs should be continued, and probably that meant the New South Wales system. They provided that where small boroughs could be merged into counties or larger boroughs it should be done, and that the subsidy should go to the borough or county into which the merging had taken place.

Mr. JULL (Hawke's Bay) said that the first Committee's report recommended that Parliament should annually decide what amount was available for subsidies to local bodies, and put that sum aside for such purpose. It should be defined that the subsidies should not be restricted to any given amount. At present the subsidy was limited to the amount of the rate of $\frac{3}{4}$ d. in the pound. The local bodies wished to have that altered, because they had to rate more than that, and on the increased amount they got no subsidy whatever. The suggestion of the Minister that we should incorporate the law that was now in force in New South Wales was one that the Committee was prepared to give consideration to, but they were not prepared to recommend the definite adoption of that system. Probably when the Minister brought down his Bill he would be able to make sure that the system he advocated would meet the conditions of this country as well as it met the conditions of New South Wales.

Mr. R. MOORE (North Canterbury) thought that if they passed clause 4 of No. 2 Committee's report it would clear the way, and the other clauses dealing with subsidies might be discussed afterwards.

The PRESIDENT said he would accept the suggestion and put the question at once, That clause 4 of No. 2 Committee's report be adopted—namely, “That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties.”

Mr. D. STEWART (Balclutha) desired to move an amendment. He understood the intention of the Committee was that the subsidy which would have gone to the borough should go to the county.

The PRESIDENT said that was so.

Mr. STEWART said he would move the addition of these words to the clause: “and be spent within the merged area.”

The PRESIDENT understood the position to be this: Directly the borough was merged into the county, subsidy was payable exactly the same as on the rest of the county. No district was to lose any portion of its subsidy by merging into the county. Did Mr. Stewart now think it necessary to push his amendment?

Mr. STEWART.—No.

Mr. Stewart's amendment withdrawn, and clause 4 of No. 2 Committee's report—"That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties"—agreed to.

The PRESIDENT said they would now take clause 7 of No. 1 Committee's report. Was he to accept it as a suggestion of Mr. Jull's that the word "annually" be struck out?

Mr. A. E. JULL (Hawke's Bay) said there was a good deal more than "annually" in it, was there not?

The President said, No; he thought Mr. Jull's objection was completely removed by striking out the word "annually." All that Mr. Jull wished to prevent was an annual revision.

Mr. Jull said, No. Supposing they took out "annually," it would mean that Parliament would decide what sum was available for subsidies to local bodies.

The PRESIDENT asked who else was to decide but Parliament.

Mr. JULL said he meant that it would not be wise to have a stated sum set apart, because if so they would not be able to give the subsidy in accordance with any alteration in the general rate. If the general rate increased or diminished the subsidy should increase or diminish accordingly.

The PRESIDENT thought Mr. Jull's position was quite clear, and would be met if they struck out the word "annually," so far as this clause was concerned. Would Mr. Jull move that?

Mr. JULL said he would sooner move the clause in No. 3 Committee's report, "The Committee recommends that a change in the basis of subsidies for counties is desirable, that the necessities of all districts should be fully considered, and is disposed to favourably consider the general lines of the scheme in force in New South Wales as referred to by the Minister in his speech."

The PRESIDENT said there was very little difference between the two.

Mr. STUDHOLME (Ashburton) said, before they dealt with that point he would like to move an amendment in clause 7 of No. 1 Committee's report—namely, that the words "rather than" in the first sentence be struck out, in order to insert "as well as." While approving of this resolution No. 7, he thought the words "rather than" were objectionable, because if they were allowed to remain in the clause they might lead the Government to the erroneous conclusion that the principle hitherto adopted, that the amount of help which was to be given to local bodies should depend in the main on the extent to which they were prepared to help themselves, was no longer the opinion of the Conference. Although in his opinion they should certainly give some consideration to the necessities of each district, allowing those necessities to weigh with them in the distribution of these subsidies, he did think they should continue to let the amount of self-help in the district—namely, the contribution by way of rates—weigh more largely in the distribution of the subsidies than any other consideration. If they allowed any other consideration to have more weight than this, the results would be disastrous, in the way of expenditure, and they would be adopting a very bad principle. He therefore moved the insertion of the words "as well as" in place of "rather than."

The PRESIDENT desired to say, with regard to the amendment that had been moved by Mr. Studholme, that even under the New South Wales system the actual subsidy payable was on the rates that were collected. He therefore had no objection to Mr. Studholme's proposal. It cleared up the position. He would put the amendment moved by Mr. Studholme.

Mr. JULL rose to a point of order. He had moved as an amendment the substitution of the clause in the report of Committee No. 3.

The PRESIDENT did not know that Mr. Jull had moved this; he thought he had only suggested it. There appeared to him (Hon. Mr. Russell) to be very little difference between the two clauses. He would put Mr. Jull's motion, "That the Conference proceed to consider clause 6 of the report of Committee No. 3."

Motion negatived.

Mr. STUDHOLME's amendment to clause 7 of No. 1 Committee's report, that the words "rather than" be struck out, and "as well as" inserted in lieu thereof, agreed to.

Mr. Jull's amendment, that the word "annually" be struck out, agreed to.

Mr. D. J. WILLIAMS (Buller) said that in the provision that had been made certain districts had been forgotten. His remarks applied more to clause 4 of Report No. 1 than clause 7. He wanted the words added, "That the Minister give special attention to the needs of mining districts."

The PRESIDENT.—What! In addition to the gold duty?

Mr. WILLIAMS said there were needs in these districts that were not provided for. The gold duty in his district did not in any way come up to their valuation. Alluvial-mining companies were working in the backblocks, and if a reef was discovered it was necessary that a road should be made, but under the Bill there was no provision for such roads. The matter would probably be dealt with in a Bill under Mr. Colvin's charge, but a resolution by the Conference drawing attention to the matter would not be out of place.

The PRESIDENT thought Mr. Williams could trust the Minister of Mines (Mr. Colvin) to look after the particular interests of the mining districts in this direction.

Mr. H. LOWE (Thames) desired to indorse the remarks of the previous speaker. Speaking of his own district, Waihi was at one end of the peninsula, and at the other end there was a district that brought in practically no money whatever. It would be practically impossible from the small amount brought in by the rates to attend to road requirements. In the districts of Thames and Coromandel there were scarcely any mines working at all. He was not complaining on behalf of the borough, but the county.

The PRESIDENT said that he would like to say, in the event of the scheme coming into operation, that a district such as was referred to would no doubt come under a high scale of subsidy, which would have the effect of providing the money required. The position was an important one, because of the mining districts which, as stated by Mr. Williams, had little or no rateable value in property, and would therefore be bound to receive special consideration from the Government.

Mr. FISHER thought it was a very important principle which was involved from the point raised by Mr. Jull. He understood that Mr. Jull complained that Parliament had to decide what sum was available for subsidies to local bodies. That might be a varying one per annum, or would the subsidies be fixed by schedule and rigidly adhered to?

The PRESIDENT explained that the law in New Zealand had always been that subsidies were fixed at a special rate by Act, and therefore they remained. It was a question under the sliding scale of the six classes that a district might be shifted from one class to another—a district would not always remain in the same class—but, nevertheless, the subsidies themselves would be settled on a fixed basis, and therefore the local bodies concerned would be perfectly sure of their finance when once the scheme became established.

Clause 7 of No. 1 Committee's report as amended agreed to.

The Conference decided not to proceed with the subsidies paragraph of clause 6 of No. 3 Committee's report, as follows: "The Committee recommends that a change in the basis of subsidies for counties is desirable, that the necessities of all districts should be fully considered, and is disposed to favourably consider the general lines of the scheme in force in New South Wales as referred to by the Minister in his speech."

Reports of Committees Nos. 1, 2, 3, and 4, as amended, adopted as reports of the Conference.

VALEDICTORY.

The PRESIDENT said they had, to all intents and purposes, completed the business of the Conference, and he congratulated the delegates upon the close attention they had given to their work and having completed it in such a satisfactory manner.

The PRIME MINISTER (Hon. T. Mackenzie).—Mr. President and Gentlemen,—At this late hour of the night I am quite sure that I would be consulting your wishes were I not to occupy your time at any length. I know the good work you have been engaged in, and my colleague, your President, has told me how thoroughly you have devoted yourselves to it. I have had an opportunity of perusing some of the representations that have been submitted, and there is distinct evidence that you have devoted yourselves earnestly and assiduously to the task of assisting in the formation constructively of this important Bill dealing with local government. I thank you very much for what you have done in that respect. I also think that the President deserves great credit for the manner in which he has gone about his very arduous task.—(Applause.)—From the inception of the work to its conclusion he has shown marked capacity and control, indicating that he is well qualified for work of this description, and perhaps of a wider description. I simply conclude by congratulating you again on the splendid work you have done.

Mr. JULL (Hawke's Bay).—I think we could not as a Conference dissolve without expressing our views in respect to the very able manner in which the Hon. Mr. Russell, as Minister for Internal Affairs, has conducted this Conference.—(Applause.)—We who have sat under him for the last two or three days are aware of the great amount of patience and tact that has been necessary to be exercised in the conduct of this Conference, and I am sure that he has fulfilled—aye, more than fulfilled—our highest expectations. And I should like to say that nothing further is required to indicate to the people of this country that it is the earnest desire of the Minister to achieve something of an important character in the local government of the Dominion. I repeat that the attitude he has taken up at this Conference is sufficient evidence of that. I can only say that I am going to ask this Conference to place on record its deep sense of gratitude for the able manner in which Mr. Russell has conducted the business, and I desire to express the hope that the result, although it may not come up to the expectations of the promoters, will in the near future be a measure acceptable to the country as a whole.

Mr. PARR (Auckland).—Sir, may I, as a city representative, second the motion of thanks to you. I entirely agree with Mr. Jull that one of the outstanding features of our Conference has been the ability—the conspicuous ability—with which the proceedings have been directed by the President. You, sir, had a difficult and thorny task. You had to take charge of a Bill and meet a Conference of some sixty gentlemen representing every phase of local government throughout the Dominion. The Conference was mainly hostile to the Bill, and I want to congratulate you upon the fact that through your tact and able management of the Conference, while the Bill has gone almost wholly and entirely, you succeeded in getting a series of resolutions passed which, I beg leave to say, express the real minds of the people of New Zealand. These resolutions, when put into legislative shape, will, we believe, give satisfaction to the people we came here to represent. I want to say again, as I said before, it has been most pleasing to me to realize that the Government of the day has met us not in any patronizing spirit, but in the true spirit of partnership, in the big work of administering the affairs of the Dominion. That has not been lost upon us, and we shall not forget. I express the satisfaction we all feel in the fact that a number of outstanding matters have been settled, and, I think, settled properly. It is a matter for congratulation, I am sure, to us all that the system of parliamentary grants or subsidies is at last to be put upon a more equitable and decent basis than we have hitherto had. I express my personal indebtedness to you for your invaluable tact and courtesy, and I feel that the Conference could not have been better handled by any chairman than you during the last few days.—(Loud applause.)

The PRESIDENT.—Gentlemen, I hardly know how to express my thanks to you for the very kind demonstration that you have made and for the words that have fallen both from Mr. A. E. Jull, Chairman of the Counties Association of New Zealand, and also from Mr. Parr, Mayor of Auckland, when moving this motion. When the Prime Minister laid upon me, as one of his colleagues, the responsibility of bringing this Conference to fruition, and of placing before it this most important business, I felt that I was undertaking the greatest work that I have attempted during the course of my public life. I then determined that no effort should be wanting on my part in laying before you a true and accurate presentment of the position of our local government in the Dominion as it is, and free from all party feeling. I would like to say that, while a good deal of criticism in various parts of the country was directed against myself for the manner in which the Conference was selected, I am satisfied the result has shown that the method that was adopted of bringing together in the different districts representatives of the local authorities and asking them to select gentlemen who were to come to this Conference has been a unqualified success. It has resulted in producing, if you will excuse me saying so to your faces, the ablest Conference regarding any public question that has ever been assembled in New Zealand. You will not, I feel sure, take it unkindly if I say that even Parliament itself might take a lesson from the methods of the Conference, and from the earnestness and devotion which it has put into the work of local government. The manner in which the position was tackled and the difficulties discussed causes me to feel proud of having had the honour of presiding over the Conference's deliberations. We have shown, gentlemen, that we can grapple with one of the greatest questions that there is to be considered by this country, and the resolutions that you have come to in the course of three days for the purpose of laying down something of a basic character in connection with this controversial subject will, I believe, meet with the approval of the country. You are well aware that this question of local government has been long before the country, but I think we have shown that when it is dealt with by a body of earnest practical men who understand what they want and what is wanted that it is quite capable of solution. The success of the Conference is in the fact that the gentlemen who have come here have had a thorough acquaintance with public and local affairs, and so when issues have been placed before them they have been able at once to grasp them and to decide whether they were good or not. And now let me thank you for the uniform courtesy that has been extended to me throughout these trying three days. We have been worked hard, and yet throughout the whole of our Conference there has not been one discordant note, and on no occasion has the President had to call a delegate to order. That result will stand as a record in connection with public affairs in this country. We realize that the Local Government Bill as submitted to Parliament and the country contains large proposals which must be abandoned; yet I believe that the resolutions which you have passed and the discussion which you have had will enable the Government to understand so far what is wanted by the local authorities that a moderate Bill embodying many reforms can be brought down, and we will be able to prepare a Local Government Bill which, if the Parliament of the country reflects the opinion of the public bodies of New Zealand, will have a chance of being carried on to the statute-book of the Dominion within the next month or two. Now let me say what I think are two of the outstanding features of the work that has been done. The first is that we have come to recognize fully that so far as our great cities are concerned it is quite unnecessary that there should be any interference with them in their domestic concerns. The second is that we realize that so far as counties are concerned the tendency which has been going on for years past of creating more and more counties or of reducing the size of counties must be stopped, and that there should be a Commission of inquiry set up consisting of able men who will go throughout the country and make recommendations for the purpose of enlarging these counties, so that we may get them down to something like forty or fifty in number—great, strong bodies, having an assured finance—and thus practically able to take the place of the proposed Provincial Councils. We shall then have all the vast benefits of that larger system without any duality of power and without any conflict of interest. Now I come briefly to refer to the question of subsidies. Gentlemen, you know the difficulties that have attached for many years to this question of subsidies and roads-and-bridges grants. Most unjustly and improperly the Government—not this Government, because this is a new Government, but other Governments—have been charged with endeavouring to debauch the settlers, and with acting with grave impropriety. Well, I showed you in a moment or two yesterday that in many cases the constituencies which have been represented by Opposition members have received far and away more money than have constituencies represented by members on the Government side of the House, the idea being that the interests of the districts should be studied; but there has been no scientific basis, there has been no settled and definite system, upon which this has been done; and I think if we can from the New South Wales method evolve something like a definite and scientific system, that would be a tremendous benefit. It would then be for the Minister in charge, with the consent of the Prime Minister and Cabinet, to set apart the amount of money to be handed over to the local bodies. In 1911 I think the amount spent on subsidies and grants to local bodies for public works was upwards of half a million of money; so I will, for argument's sake, say, supposing half a million of money were set aside, the subsidies, distributed upon a scientific basis, should be paid over in such a way that the money would be expended on roads and bridges according to the necessities of the various districts. If such a plan as that can be devised the time will have come when the real necessities of the outer districts will be met, and we shall provide decent roads and bridges throughout the country for the purposes of backblock settlement. My colleague and chief, the Prime Minister, is one who has gone about the backblocks of the country in a way no other Prime Minister has ever done, and I may say without the slightest hesitation no one has ever had a more sincere and earnest desire than the Hon. Mr. Mackenzie to place the settlement of the country upon a sound and proper footing. Gentlemen, I have once more most heartily to thank you for the kind way in which you have passed this vote, and, above all, to acknowledge

the courtesy and help you have given me throughout the Conference. I can assure you I shall always look back upon this as a bright spot in my life; and I may say that at a very early date the necessary Bill will be prepared with a view to being presented to Parliament, and whether it be my fortune or not to pilot the measure through the devious ways of the House of Representatives, my assistance will in any case be given for the purpose of placing the Bill on the statute-book. I should only like further to say that the Government will have the whole report of the proceedings of this Conference printed at the earliest date. The speech I delivered in opening the Conference, and the tables connected with that speech, will be printed, together with the report of the proceedings, in one paper, and a sufficient number of copies will be printed to enable every member of every local body in the country to have a report of the Conference. I have now, on behalf of Mr Trevor, the Chairman of the Wellington Hospital Board, to invite the members of the Conference to visit the Wellington Hospital to-morrow. His Worship the Mayor of Wellington, Mr. McLaren, will provide a car for members, and it is suggested that 10.30 will be a suitable time to go, and the place of meeting will be the Town Hall. Gentlemen, I thank you for the way in which you have treated me throughout the Conference, which I now declare closed. I should like to say that I hope you will take away the papers and books that have been provided, and make the best possible use of them when you get home. (Applause.)

On the suggestion of the President, the members of the Conference concluded the proceedings by singing the National Anthem, after which cheers were given for the Minister of Internal Affairs and the Prime Minister.

APPENDIX.

REPORTS AS ADOPTED BY THE CONFERENCE.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 1.

RESOLUTIONS.

1. That this Committee does not agree with the establishment of Provincial Councils.
2. That this Committee is wholly opposed to the present method of distribution of public moneys by way of promiscuous grants for roads, bridges, and such other works, and favours the substitution of a system of increased subsidies on some definite principle.
3. That while this Committee is entirely opposed to the continuance of the present system of promiscuous grants, at the same time it is of opinion that the Government should faithfully carry out all engagements or obligations for works that it has already committed itself to, and the Committee appreciate the Hon. the Minister's promise in this respect.
4. That the Committee strongly emphasize its opinion that the complete roading of new lands simultaneously advance with the settlement thereof. Such roading to be carried out at the cost of the General Government.
5. That this Committee is of opinion that the system of subsidies should be regulated by the necessities of the district as well as by the amount of rates that may be collected. That Parliament should decide what sum is available for subsidies to local bodies, and should set aside such a sum for this purpose. That this sum so set aside should then be divided among the local bodies on a definite principle. That the system this Committee would recommend the Government to adopt is the one that has been in force for many years in New South Wales, and which has been outlined by the Minister in his address. That this recommendation is made without prejudice to the interests of cities and boroughs.
6. That it be a recommendation from this Committee that all local bodies be authorized to invest their own sinking funds through their own Commissioners, excepting such loans as are granted by the Government Advances Board, and that any section of any statute providing otherwise be repealed.
 - (1.) Should the power to borrow be in any way limited, and to what degree?—That the powers to borrow should be limited only by a vote of the ratepayers.
 - (2.) Should all local loans be obtainable only from or through the State-guaranteed Advances Department?—That it is desirable that increased facilities be granted for obtaining from the State-guaranteed Advances Department all loan-moneys authorized to be raised by the ratepapers; but that, failing the advance of any such loans by this Department, it be admissible for the local body concerned to obtain the required loan elsewhere.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 2.

RESOLUTIONS PASSED UNANIMOUSLY BY COMMITTEE No. 2.

“Municipal, with special relation to Inclusion of Contiguous Districts and Town-planning.”

Cities.

1. That, in view of the fact that the cities and large boroughs of the Dominion have special circumstances and liabilities in their administration, due to most of them conducting electric tramways, light, gas, water, and other trading-ventures which differentiate them largely from other local bodies, we are of opinion that such cities and boroughs cannot, without serious injury to the community, be incorporated in the proposed Bill, and this Committee is of opinion that they should be excluded therefrom.

Suburban Boroughs.

2. That we are of opinion that the suburban boroughs of the Dominion should not be included in the proposed provinces, such boroughs being satisfied with the powers of administration conferred on them by the Municipal Corporations Acts, and being desirous, when their burgesses so wish it, voluntarily to amalgamate such suburban boroughs with the cities.

Smaller Rural Boroughs and Road Boards in Cities.

3. That with respect to the smaller rural boroughs and those Road Board districts adjoining the cities or forming part of the suburban area of the cities or boroughs, this Committee is of opinion that the Government should set up a Commission of Inquiry under the Commissions of Inquiry Act to report as to which of these bodies can, in the public interest, be amalgamated with the counties or adjacent boroughs, as the case may be. This Committee expresses the view that such amalgamation in many cases is desirable, and should, if necessary, be compulsorily effected.

Subsidies.

4. That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties.

Town-planning.

5. That this Committee is of opinion—
 - (a.) That special legislation to provide for town-planning is urgently required.
 - (b.) That in particular it is necessary in the public interest that the subdivision of suburban areas for settlement should be more strictly supervised than hitherto.
 - (c.) That any town-planning authority should be representative of the local authorities affected, or likely to be affected, with the addition of special experts on the subject.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 3.

1. *Domain Boards*.—The Committee recommends that all domains within counties be vested in County Councils or municipalities, and where a domain is adjacent to several boroughs the said domain shall be controlled by the largest local authority.

2. *Road Districts*.—The Committee recommends that the present dual system of control by counties and road districts should cease, that the county system be the system that should be retained, and that due regard should be given to the interests of the districts now under the control of Road Boards with regard to representation and otherwise.

The Committee also recommend that in the meantime some simpler method be adopted for merging Road Boards into counties than at present exists, such as by taking a poll.

1. *Town Districts*.—The Committee recommend that all town districts with a population of 500 and upwards be formed into boroughs; that all town districts with a population of under 500 be merged into counties or into adjacent boroughs, provision being made in the Counties Act for the establishment of local committees, by election or otherwise, to administer under the control of the County Council; that the counties should have the power now exercised by the present town districts, which may be delegated to committees.

2. *Cemetery Boards*.—The Committee recommend that the same provisions of administration as recommended to apply to domains should apply to Cemetery Boards.

3. *River Districts and Drainage Districts*.—The Committee recommend that river districts and drainage districts that operate within the confines of a county be abolished, and the duties of existing Boards be carried on by the County Councils or Borough Councils, or a joint or local committee, as the case may require.

4. *Water-supply Board*.—The Committee recommend that the same provisions of administration as apply to river districts should apply to water-supply districts; but where the operations of a Water-supply Board extend into two or more counties the Board shall continue.

5. *Harbour Boards*.—The Committee recommend that County Councils or Borough Councils be empowered to exercise the duties of Harbour Boards in such cases where there is at present no Harbour Board, but that in such cases the county or borough should do this work in its capacity of a county or borough instead of a Harbour Board.

The Committee recommend that, in the case of the merging into the counties of any class or classes of local bodies, all the powers and duties now exercised by such bodies be given to the County Councils.

That powers sufficiently wide to enable the County Councils to efficiently carry out all the functions now imposed upon them be given them.

6. *Counties*.—That this Committee is of opinion that the multiplicity of small counties is a mistake; that the number of counties should be materially reduced, and that a Commission should be set up to inquire as to where amalgamation can be made, keeping in view the size, population, valuation, and community of interest of such counties.

That the Committee affirms the desirability of retaining the present system of county franchise.

That the present system of ridings in counties be retained.

That a uniform system of accounts be adopted for local bodies.

That the present system of triennial election be retained in the counties, and be made to apply to all local bodies, the elections to be held on the same day.

Resolved, That a vote of thanks be accorded to the chairman.

LOCAL GOVERNMENT CONFERENCE COMMITTEE No. 4.

HOSPITALS.

1. THAT this Committee recommends to the Conference that Part IX be deleted from the Bill, the present Act, with some minor amendments, being satisfactory.

2. That it be a recommendation to the Department to give the following matters its serious consideration:—

(a.) The alterations of boundaries, either by enlargement or otherwise.

(b.) To place upon the estimates a sufficient sum annually to cope with consumption.

(c.) That Receiving Homes be placed in the large centres for the reception of mental incipient cases, cost and maintenance of same to be borne by the mental authorities; also, that the treatment of habitual inebriates should be a charge on the same Department.

(d.) That the Destitute Persons Act should be amended.

EDUCATION.

3. Your Committee recommends that Part X of the Local Government Bill be eliminated.

4. Your Committee suggests that the Minister should take steps to ascertain whether the boundaries of the various education districts cannot be improved.

5. Your Committee suggests that the Minister should consider the question of subsidies (or capitation) now being paid to Boards, and Boards of Governors, for technical and manual training, and secondary work.

6. Your Committee suggests that the results of inquiries, if made, under Resolutions 4 and 5 should be communicated to Boards for consideration, and for further alteration, if necessary, before any material amendment in the law is made.

RECEIPTS AND EXPENDITURE OF RESPECTIVE CLASSES OF LOCAL AUTHORITIES FOR YEAR ENDING 31st MARCH, 1911.

	All Boroughs.			Counties alone.			Boroughs with a Population of less than 3,000.			Boroughs with a Population of over 3,000.			Counties which have Interior Road and Town Districts including latter.			Road Districts separately.			Town Districts separately.			
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	
RECEIPTS.																						
General rates	404,316	14	11	505,023	7	3	67,849	9	9	336,467	5	2	382,457	11	6	85,605	19	1	18,589	3	7	
Special and separate rates	369,706	15	1	75,391	11	3	43,938	16	8	325,767	18	5	54,775	6	7	10,873	3	9	3,041	3	4	
Licenses, tolls, rents, and other sources	944,791	0	1	65,355	11	5	72,101	17	2	872,689	2	11	68,405	8	1	17,545	2	6	14,755	12	8	
Revenue raised locally	1,718,814	10	1	645,770	9	11	183,890	3	7	1,534,924	6	6	505,638	6	2	114,024	5	4	36,385	19	7	
Government	48,137	17	1	152,249	15	2	9,613	6	7	38,524	10	6	91,437	15	6	22,950	13	8	6,273	7	11	
Total revenue	1,766,952	7	2	798,020	5	1	193,503	10	2	1,573,448	17	0	597,076	1	8	136,974	19	0	42,659	7	6	
Receipts not revenue (<i>i.e.</i> , loans, special grants from Government, subscriptions for ordinary or special works)	903,869	16	10	288,554	14	11	219,194	19	1	684,674	17	9	245,350	3	4	63,387	4	10	33,690	19	7	
Total receipts	2,670,822	4	0	1,086,575	0	0	412,698	9	3	2,258,123	14	9	842,426	5	0	200,362	3	10	76,350	7	1	
EXPENDITURE.																						
On public works	1,156,005	17	0	750,879	19	8	224,516	18	0	931,488	19	0	558,962	11	2	131,225	8	6	49,777	16	10	
On management	120,630	3	11	98,425	2	5	26,674	14	5	93,955	9	6	66,787	10	4	13,171	0	10	5,864	10	6	
Grants to Road, Town, or River Boards .. .. .	.. .. .	..	..	6,819	10	8	.. .. .	..	..	6,765	1	5	.. .. .	..	..	.. .. .	..	..	.. .. .	..	..
Other expenditure (<i>i.e.</i> , mostly interest on loans and maintenance other than roads, streets, bridges, &c.)	1,121,640	3	10	124,131	6	1	96,539	1	5	1,025,101	2	5	98,794	7	9	29,360	3	7	14,315	2	3	
Total expenditure	2,398,276	4	9	980,255	18	10	347,730	13	10	2,050,545	10	11	731,309	10	8	173,756	12	11	69,957	9	7	
Contributions to hospital and charitable aid not included in above	56,197	15	10	64,105	5	1	7,937	3	10	48,260	12	0	45,848	16	10	9,021	12	9	1,589	5	2	
Percentage of cost of management on revenue locally raised	7.02			15.24			14.51			6.12			13.21			11.55			16.12			
Percentage of cost of management to general rates	29.84			19.49			39.32			27.92			17.46			15.38			31.54			
Percentage of cost of management to public works	10.44			13.11			11.88			10.09			11.95			10.04			12.28			

RECEIPTS AND EXPENDITURE OF RESPECTIVE CLASSES OF LOCAL AUTHORITIES FOR YEAR ENDING 31ST MARCH, 1911—continued.

	River Districts.			Land-drainage Districts.			Harbour Districts.			City and Suburban Drainage Districts.			Water-supply Districts.			Totals, all Local Authorities		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
RECEIPTS.																		
General rates	7,044	19	6	8,632	2	7	34,803	18	6	50,495	4	1	2,886	14	2	1,117,398	3	8
Special and separate rates	2,782	3	0	4,268	12	10	..	..	..	3,903	2	5	4,522	8	10	474,489	0	6
Licenses, tolls, rents, and other sources	9,022	11	5	1,068	17	4	773,669	11	6	2,851	10	9	553	12	5	1,829,613	10	1
Revenue raised locally	18,849	13	11	13,969	12	9	808,473	10	0	57,249	17	3	7,962	15	5	3,421,500	14	3
Government .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	229,611	13	10
Total revenue	18,849	13	11	13,969	12	9	808,473	10	0	57,249	17	3	7,962	15	5	3,651,112	8	1
Receipts not revenue (<i>i.e.</i> , loans, special grants from Government, subscriptions for ordinary or special works)	2,471	12	0	36,026	3	4	345,776	11	3	102,898	17	9	282	13	4	1,776,958	13	10
Total receipts	21,321	5	11	49,995	16	1	1,154,250	1	3	160,148	5	0	8,245	8	9	5,428,070	11	11
EXPENDITURE.																		
On public works	10,286	19	10	22,740	2	4	734,090	12	1	115,284	10	9	4,398	2	10	2,974,689	9	10
On management	2,170	9	8	2,032	4	1	79,951	0	2	10,580	0	11	677	17	2	333,502	9	8
Grants to Road, Town, or River Boards .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6,819	10	8
Other expenditure (<i>i.e.</i> , mostly interest on loans and maintenance other than roads, streets, bridges, &c.)	10,270	18	8	5,264	18	1	461,362	17	7	53,839	11	5	3,779	13	11	1,823,964	15	5
Total expenditure	22,728	8	2	30,037	4	6	1,275,404	9	10	179,704	3	1	8,855	13	11	5,138,976	5	7
Contributions to hospital and charitable aid not included in above .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage of cost of management on revenue locally raised	11.51			14.55			9.89			18.48			8.51			9.70		
Percentage of cost of management to general rates	30.81			23.54			229.72			20.95			23.48			23.42		
Percentage of cost of management to public works	21.09			8.93			10.89			9.18			13.12			11.32		

NOTE.—The column "On public works" includes all expenditure on construction or maintenance of roads, bridges, streets, footpaths, waterworks, and drainage, and special works out of loan-money; while the column "Other expenditure" in the case of Counties, Road, and Town Districts is mainly interest and other miscellaneous items. In the case of boroughs it also includes maintenance, but not construction of markets, morgues, libraries, art galleries, town halls, baths, recreation-places, and suchlike.

LOCAL GOVERNING BODIES.—RECEIPTS, 1881 TO 1911.

Year ended 31st March.	Revenue from				Receipts not Revenue.	Total Receipts.
	Rates.	Licenses, Tolls, Rents, and other Sources.	Government.	Total Revenue.		
1881	£ 249,687	£ 461,602	£ 352,540	£ 1,063,229	£ 889,705	£ 1,952,934
1891	463,581	518,757	144,008	1,126,346	236,902	1,363,248
1901 ...	734,023	751,046	168,785	1,653,854	825,039	2,478,893
1911	1,592,601	1,941,655	230,070	3,764,326	1,776,958	5,541,284

LOCAL GOVERNING BODIES.—EXPENDITURE AND LOANS, 1881 TO 1911.

Year ending 31st March.	Expenditure of Local Bodies.	Outstanding Loans of Local Bodies.
1881	£ 1,871,752	£ 3,039,807
1891	1,381,320	6,042,693
1901	2,250,572	7,563,069
1911	5,360,261	16,131,776

HOSPITAL AND CHARITABLE AID BOARDS.

Receipts.

	£	s.	d.	£	s.	d.
From Government	167,941	6	3			
„ local authorities' ordinary levies	131,524	14	3			
Rents, interest, and dividends	12,088	8	2			
Voluntary contributions	35,433	1	10			
Payments on account of persons relieved	65,354	8	4			
Other receipts	7,479	1	6			
				419,821	0	4

Percentage of administration to total revenue

4·87

Percentage of administration to revenue, less Government subsidy and voluntary contributions

9·45

Expenditure.

	£	s.	d.	£	s.	d.
Hospital maintenance (expenditure)	200,691	0	4			
Charitable Aid expenditure (indoor and outdoor relief	95,898	9	8			
Public Health expenditure	197	2	6			
Administration	20,446	5	2			
Capital expenditure	81,473	5	7			
Amounts paid to other Hospitals and Charitable Aid Boards	2,894	3	1			
Other expenses	14,783	16	6			
				416,384	2	10

Percentage of administration to total expenditure, 4·91.

LOCAL GOVERNING BODIES.—RECEIPTS FROM GOVERNMENT.

TABLE showing, under Separate Heads, the Amounts received from Government by the Local Governing Bodies in the Dominion during the Financial Year ended 31st March, 1911.

	Counties.	Boroughs.	Town Boards.	Road Boards.	River Boards (excluding Inch-Clutha, also Road Board).	Land Drainage Boards.	Harbour Boards.	City and Suburban Drainage Boards.	Totals.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Rates on Crown and Native lands	123 10 2	27 1 3	.. .. .	10 8 1	.. .. .	.. .. .	.. .. .	.. .. .	160 19 6
One-third receipts from land sold on deferred payment and from perpetual lease	34,350 1 0	18 1 4	127 14 11	2,999 18 7	.. .. .	.. .. .	.. .. .	.. .. .	37,495 15 10
One-fourth of rents from small grazing-runs	2,775 16 9	.. .. .	.. .. .	276 19 3	.. .. .	.. .. .	.. .. .	.. .. .	3,052 16 0
Timber and flax royalties	10,698 14 0	75 0 0	.. .. .	686 14 7	.. .. .	.. .. .	.. .. .	.. .. .	11,460 8 7
Goldfields revenue and gold duty	20,325 12 4	24,227 13 4	0 10 3	67 3 2	.. .. .	.. .. .	.. .. .	.. .. .	44,620 19 1
Subsidies on rates	82,204 10 1	21,494 9 10	2,813 5 7	17,644 7 4	.. .. .	.. .. .	.. .. .	.. .. .	124,156 12 10
Fees and fines	1,020 14 11	1,238 10 10	30 2 3	83 7 6	.. .. .	3 3 10	.. .. .	.. .. .	2,375 19 4
Other receipts	750 15 11	1,043 8 2	3,301 14 11	1,181 15 2	204 14 1	.. .. .	.. .. .	.. .. .	6,482 8 3
Total Revenue Account	152,249 15 2	48,124 4 9	6,273 7 11	22,950 13 8	204 14 1	3 3 10	.. .. .	.. .. .	229,805 19 5
Loans from Government under Loans to Local Bodies Acts and New Zealand State-guaranteed Advances Office	106,893 16 4	205,278 6 6	13,665 15 0	39,317 11 1	.. .. .	32,963 10 0	750 0 0	.. .. .	398,868 18 11
Grants for special works, &c.	123,832 13 9	6,182 7 0	1,234 2 0	6,362 5 2	2,250 0 0	1,166 6 3	.. .. .	.. .. .	141,027 14 2
Total receipts from Government	382,976 5 3	259,584 18 3	21,173 4 11	68,630 9 11	2,454 14 1	34,133 0 1	750 0 0	.. .. .	769,702 12 6

LOCAL GOVERNING BODIES.—RECEIPTS, EXPENDITURE, AND LOANS.

TABLE showing Totals of Receipts and Expenditure of the Counties, Boroughs, Town, Road, River, Land Drainage, Water-supply, and Tramway Boards during the Financial Year ended 31st March, 1911, and of the Harbour Boards to 31st December, 1910, and City and Suburban Drainage Boards during the Year ended 31st March, 1911; also the Liabilities and Outstanding Loans at Date of Balancing.

	Financial Year ended 31st March, 1911.										Financial Year ended 31st December, 1910.		Totals—all Local Bodies.														
	Counties.	Boroughs.	Town Boards.	Road Boards.	River Boards (excluding Inland Claring, also Road Board).	Land Drainage Boards.	Water-supply Boards.	Tramway Boards.	City and Suburban Drainage Boards.*	Harbour Boards.*	£	s.		d.	£	s.	d.										
RECEIPTS.																											
Revenue from—	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.									
Rates	580,414	18	6	774,023	10	0	21,630	6	11	96,479	2	10	12,900	15	5	7,409	3	0	54,398	6	6	34,803	18	6	1,592,601	7	2
Licenses, rents, and other sources	65,355	11	5	944,791	0	1	14,391	9	4	12,300	16	6	857	13	6	553	12	5	2,851	10	9	773,669	11	6	1,935,808	1	5
Government†	152,249	15	2	48,137	17	1	6,273	7	11	22,950	13	8	3	3	10	..	..	..	..	..	..	..	..	..	230,009	11	9
County .. .. .	..	..	..	..	..	..	364	3	4	5,154	6	0	208	0	0	..	..	..	..	..	..	..	..	..	5,756	9	4
Total revenue	798,020	5	1	1,766,952	7	2	42,659	7	6	136,974	19	0	13,969	12	9	7,962	15	5	57,249	17	3	808,473	10	0	3,764,325	9	8
Receipts not revenue	288,554	14	11	903,869	16	10	33,600	19	7	63,387	4	10	36,026	3	4	282	13	4	102,898	7	9	345,776	11	3	1,776,958	3	10
Total receipts	1,086,575	0	0	2,670,822	4	0	76,359	7	1	200,362	3	10	49,995	16	1	8,245	8	9	160,148	5	0	1,154,250	1	3	5,541,283	13	6
EXPENDITURE.																											
Public works	750,879	19	8	1,156,005	17	0	49,777	16	10	131,225	8	6	22,740	2	4	4,398	2	10	115,284	10	9	734,090	12	1	3,043,392	5	10
Charitable aid and hospitals	64,104	5	1	56,197	15	10	1,589	5	2	9,021	12	9	..	..	..	..	..	..	..	..	..	..	..	..	130,912	18	10
Management	98,425	2	5	120,630	3	11	5,864	10	6	13,171	0	10	2,032	4	1	677	17	2	10,580	0	11	79,951	0	2	333,502	9	8
Other expenditure	130,950	16	9	1,121,640	3	10	14,315	2	3	29,360	3	7	5,264	18	1	3,779	13	11	53,839	11	5	461,362	17	7	1,852,452	17	5
Total expenditure	1,044,360	3	11	2,454,474	0	7	71,546	14	9	182,778	5	8	30,037	4	6	8,855	13	11	179,704	3	1	1,275,404	9	10	5,360,260	11	9
Liabilities (includes loans, excepting those from Government)	287,200	14	9	8,636,008	3	9	76,723	16	11	60,997	11	3	31,748	4	1	15,445	17	9	617,590	19	11	6,381,877	14	7	16,672,190	14	08
Loans (excluding loans under Roads and Bridges Construction Act, and the Loans to Local Bodies Acts)††	99,038	0	0	8,159,986	0	0	57,819	0	0	41,100	0	0	13,470	0	0	15,200	0	0	865,000	0	0	6,001,650	0	0	15,727,613	0	0
Loans from New Zealand State-guaranteed Advances Office (amount outstanding on 31st March, 1911)	86,593	0	0	239,341	0	0	16,446	0	0	31,676	0	0	29,357	0	0	..	..	..	..	..	..	750	0	0	404,163	0	0

* Wellington Harbour Board for year ended 30th September, 1910; and City and Suburban Drainage Boards for year ended 31st March, 1911. † For amounts under various heads see next table; also for specification of loans under Loans to Local Bodies Acts, and special grants, which are here included with "Receipts not revenue." ‡ Including expenses of management. § Not including interest see page 693. || For rates of sinking funds, and for redemption of debentures.

LOANS OF LOCAL BODIES' RAISED WITHIN AND WITHOUT NEW ZEALAND.

TABLE showing the Amount of Indebtedness of Counties, Boroughs, Town, Road, River, Land Drainage, City and Suburban Drainage, Water-supply Boards, and Tramway Board, as on the 31st March, 1911, and of Harbour Boards as on the 31st December, 1910, classified according to the Rates of Interest paid, distinguishing Loans raised in New Zealand from those raised elsewhere. (See note.)

Local Bodies.	Under 4 per Cent.	4½ per Cent.	4¾ per Cent.	5 per Cent.	5½ per Cent.	6 per Cent.	7 per Cent.	Total.	Loans from New Zealand State-guaranteed Advances Office.*	Totals, all Loans.†
Counties ..	£ 1,400	£ 294,780	£ 37,000	£ 17,178	£ 35,950	£ 146,570	£ 2,000	£ 99,038	£ 86,593	£ 185,631
Boroughs ..	29,000†	1,624,740	37,000	309,387	121,350	2,218,236	2,000	4,903,986	239,341	5,143,327
Town Boards ..	10,000	5,000	18,000	7,600	14,600	10,604	..	47,319	16,446	63,765
Road Boards ..	13,900	3,200	..	650	..	..	..	41,100	31,676	72,776
River Boards ..	..	..	..	11,750	..	..	..	22,350	..	22,350
Land Drainage Boards ..	..	32,100	..	..	1,720	..	..	13,470	29,357	42,827
City and Suburban Drainage Boards ..	125,000	..	..	..	..	..	..	565,000	..	565,000
Water-supply Board ..	..	382,000	..	2,200	..	..	..	15,200	..	15,200
Tramway Board ..	..	351,000	..	221,950	..	..	..	447,000	..	447,000
Harbour Boards ..	60,000†	1,030,800	..	408,100	..	..	..	2,099,850	750	2,100,600
Total raised in New Zealand ..	89,000†	2,809,040	37,000	656,830	35,950	147,670	2,000	8,254,313	404,163	8,658,476

LOANS RAISED OUTSIDE NEW ZEALAND.

Boroughs ..	£ 1,543,500	£ 238,700	£ 415,100	£ 488,300	£ 35,000	£ 535,400	£ ..	£ 3,256,000	£ ..	£ 3,256,000
Town Boards ..	..	..	8,000	2,500	..	..	..	10,500	..	10,500
River Boards ..	..	..	..	..	..	5,000	..	5,000	..	5,000
City and Suburban Drainage Boards ..	100,000	..	..	..	..	200,000	..	300,000	..	300,000
Harbour Boards ..	250,000	595,500	528,000	1,982,500	..	545,800	..	3,901,800	..	3,901,800
Total raised outside New Zealand ..	1,893,500	834,200	951,100	2,473,300	35,000	1,286,200	..	7,473,300	..	7,473,300

TOTAL LOANS RAISED.

Counties ..	£ 1,400	£ 294,780	£ 37,000	£ 17,178	£ 35,950	£ 146,570	£ 2,000	£ 99,038	£ 86,593	£ 185,631
Boroughs ..	29,000†	1,624,740	37,000	309,387	121,350	2,218,236	2,000	4,903,986	239,341	5,143,327
Town Boards ..	10,000	5,000	18,000	7,600	14,600	10,604	..	47,319	16,446	63,765
Road Boards ..	13,900	3,200	..	650	..	..	..	41,100	31,676	72,776
River Boards ..	..	..	..	11,750	..	..	..	22,350	..	22,350
Land Drainage Boards ..	..	32,100	..	..	1,720	..	..	13,470	29,357	42,827
City and Suburban Drainage Boards ..	125,000	..	..	..	..	..	..	565,000	..	565,000
Water-supply Board ..	..	382,000	..	2,200	..	..	..	15,200	..	15,200
Tramway Board ..	..	351,000	..	221,950	..	..	..	447,000	..	447,000
Harbour Boards ..	60,000†	1,030,800	..	408,100	..	..	..	2,099,850	750	2,100,600
Total loans raised ..	89,000†	2,809,040	37,000	656,830	35,950	147,670	2,000	8,254,313	404,163	8,658,476

* Amount outstanding on 31st March, 1911. † Not including loans, amounting to £1,025,663, repayable by instalments, under the Roads and Bridges Construction Act, the Government Loans to Local Bodies Act, and the Loans to Local Bodies Acts. ‡ £25,000 on which no interest is paid, £4,000 at 3½ per cent., and £60,000 at 3 per cent. § Including £3,000 at 5½ per cent

LOCAL GOVERNING BODIES.—RECEIPTS, EXPENDITURE, LOANS, 1881 TO 1911.

TABLE showing Receipts from Rates and other Sources, and the Expenditure and Outstanding Loans, of the Local Governing Bodies (Counties, Boroughs, Town, Road, River, Drainage, Water-supply, Tramways, and Harbour Boards*) for each of the Financial Years from 1880-81 to 1910-11.

Year ended 31st March.	Receipts of Local Bodies.										Expenditure of Local Bodies.†	Outstanding Loans of Local Bodies (excluding Government Loans from New Zealand State-guaranteed Advances Office on 31st March, 1911.	Government Debentures under the Roads and Bridges Construction Act, 1882.	Net Indebtedness in February of each Year under the Local Bodies' Loans Acts (including Debentures under the Roads and Bridges Construction Act converted).
	Revenue from			Government.	Total Revenue.	Receipts not Revenue.	Total Receipts.	Loans from New Zealand State-guaranteed Advances Office, for which see the following columns).						
	Rates.	Licenses, Tolls, Rents, and other Sources.	Government.					Local Bodies (excluding Government Loans from New Zealand State-guaranteed Advances Office, for which see the following columns).	Loans from New Zealand State-guaranteed Advances Office on 31st March, 1911.	Outstanding Debentures under the Roads and Bridges Construction Act, 1882.					Net Indebtedness in February of each Year under the Local Bodies' Loans Acts (including Debentures under the Roads and Bridges Construction Act converted).
1881	249,087	461,602	352,540	1,063,229	889,795	1,952,934	1,871,752	3,039,807	£	£	191,687			
1882	297,328	476,473	218,179	991,980	419,668	1,411,588	1,637,337	3,277,584	..	..	273,289	
1883	327,129	466,885	133,565	927,579	311,466	1,239,045	1,397,863	3,540,046	..	..	319,603	
1884	398,659	502,969	241,558	1,143,186	331,994	1,475,180	1,499,117	3,962,339	..	77,439	449,532			
1885	401,393	477,813	364,082	1,243,288	304,561	1,547,849	1,653,766	4,313,223	..	123,686†	525,173			
1886	410,639	504,807	377,811	1,293,257	514,728	1,807,985	1,644,706	4,943,270	..	134,534	621,903			
1887	434,237	447,691	342,432	1,224,300	992,633	2,216,933	1,885,001	5,620,747	..	113,072	709,282			
1888	433,832	460,210	334,857	1,228,899	511,594	1,740,493	1,819,787	5,812,803	..	18,635	742,530			
1889	445,929	535,140	141,288	1,122,357	316,139	1,438,496	1,560,695	5,892,050	..	10,495	789,618			
1890	460,303	568,405	139,320	1,168,028	206,688	1,374,716	1,476,540	5,978,059	..	9,676	810,192			
1891	463,581	518,757	144,008	1,126,346	236,902	1,363,248	1,361,320	6,042,693	..	4,317	902,709			
1892	488,824	584,274	109,022	1,182,120	214,124	1,396,244	1,400,467	6,281,934	..	4,245	1,046,645			
1893	508,157	573,161	136,515	1,217,833	340,538	1,558,371	1,482,548	6,203,869	..	3,465	1,266,002			
1894	551,412	547,560	134,271	1,233,243	623,038	1,856,281	1,589,124	6,614,824	..	2,015	1,401,752			
1895	581,868	545,629	136,228	1,265,725	328,798	1,594,523	1,584,518	6,685,510	..	1,442	1,526,353			
1896	592,993	581,966	156,180	1,331,049	269,145	1,600,194	1,627,079	6,737,578	..	1,077	1,580,494			
1897	598,526	586,599	178,448	1,363,573	246,919	1,610,492	1,636,716	6,793,398	..	..	1,647,273	
1898	644,552	608,436	182,166	1,435,154	304,645	1,739,799	1,733,016	6,834,361	..	712	1,691,083			
1899	685,769	642,289	178,438	1,506,496	385,368	1,891,864	1,778,574	6,963,254	..	347	1,839,017			
1900	714,151	695,988	152,044	1,562,183	372,028	1,934,211	1,960,073	7,057,350	..	..	1,925,606	
1901	734,023	751,046	168,785	1,653,854	825,039	2,478,893	2,250,572	7,503,009	..	..	1,025,663	
1902	800,471	848,983	170,041	1,819,495	775,432	2,594,927	2,528,092	7,839,695	..	..	..
1903	846,716	897,328	176,254	1,900,298	966,087	2,866,385	2,867,506	8,217,196	..	..	..
1904	950,150	1,020,550	176,519	2,156,219	1,142,595	3,298,814	3,230,712	8,898,910	..	..	..
1905	1,019,431	1,088,587	166,635	2,274,653	1,350,631	3,625,284	3,497,321	10,018,242	..	..	..
1906	1,151,219	1,223,138	169,010	2,543,367	1,326,597	3,869,964	3,601,506	10,718,051	..	..	..
1907	1,233,049	1,386,459	192,932	2,812,440	1,227,473	4,039,913	3,897,515	11,616,048	..	..	..
1908	1,356,257	1,548,479	202,186	3,100,922	1,410,994	4,517,910	4,491,113	12,532,334	..	..	..
1909	1,390,698	1,710,712	223,410	3,324,820	1,440,746	4,765,566	4,800,711	13,303,622	..	..	..
1910	1,526,317	1,738,410	195,624	3,460,351	2,362,171	5,822,522	4,808,482	14,937,685	..	..	..
1911	1,592,601	1,941,655	230,070	3,764,326	1,776,958	5,541,284	5,360,261	15,727,613	..	404,163	..			

* The figures for the Harbour Boards (excepting Wellington, the period being for the year ended 30th September, 1910, and the Coromandel Portrose, Half-moon Bay and Horse-shoe Bay, Kaikoura, Kawhia, New River, Port Molyneux, and Riverton Harbour Boards, the figures for which are for the year ended 31st March, 1911), included are for the calendar years ended three months previous to the financial years.
 † Not including balances, deposits, or amounts paid to sinking funds and for redemption of debentures.
 ‡ On the 30th June.

TAXATION BY LOCAL BODIES.

TABLE showing the Revenue of Local Governing Bodies derived from Rates, Licenses, and other Taxes during the Year 1910-11.

Local Bodies.	Rates.				Licenses.	Other Taxes.	Total.			
	General.		Special and Separate.							
	£	s. d.	£	s. d.	£	s. d.	£	s. d.		
Counties*	505,023	7 3	75,391	11 3	16,878	4 9	14,651	6 3	611,944	9 6
Boroughs*	404,316	14 11	369,706	15 1	58,375	16 8	9,342	13 6	841,742	0 2
Town Boards*	18,589	3 7	3,041	3 4	3,406	8 10	1,084	10 3	26,121	6 0
Road Boards*	85,605	19 1	10,873	3 9	2,332	18 8	2,123	17 3	100,935	18 9
River Boards*	7,044	19 6	2,782	3 0	..	..	2	13 5	9,829	15 11
Land Drainage Boards*	8,632	2 7	4,268	12 10	..	..	..	..	12,900	15 5
Harbour Boards†	34,803	18 6	..	..	..	..	..	..	34,803	18 6†
City and Suburban Drainage Boards*	50,495	4 1	3,903	2 5	..	..	..	..	54,398	6 6
Tramway Boards*	714	3 0	..	..	..	..	..	..	714	3 0
Water-supply Boards*	2,886	14 2	4,522	8 10	14	12 0	20	19 7	7,444	14 7
Totals	1,118,112	6 8	474,489	0 6	81,008	0 11	27,226	0 3	1,700,835	8 4§

* For year ended 31st March, 1911.

† Wellington Harbour Board, for year ended 30th September, 1910.

‡ Wharfage dues, charges, fees, tolls, &c., £698,014 14s. 4d., and rents and other sources, £75,654 17s. 2d., have not been classed as taxation.

§ Equal to £1 14s. 1d. per head of the mean European population of the Dominion for the financial year 1910-11.

TOWN DISTRICTS.—(I.)

TABLE showing the Population and Number of Dwellings as on 2nd April, 1911; the Number of Ratepayers, Number of Rateable Properties, and the Amount of Rate levied in the Pound on the Capital (or Annual) Value of Rateable Property in the several Town Districts of the Dominion of New Zealand for the Financial Year ended 31st March, 1911.

Town Districts.	Population, Census, 1911.	Number of			Amount of Rate levied in the Pound on the Capital (or Annual) Value of Property.	Date when Last Rate was struck.
		Dwellings, Census, 1911.	Ratepayers.	Rateable Properties.		
Hikurangi	693	158	95	140	s. d. 0 1½ ⁽¹⁾	Sept., 1910
Kamo	337	86	99	144	0 0½	July, 1910
Warkworth	689	173	130	393	0 0½	.. .. .
Helensville	670	140	135	172	1 8 *	June, 1910
Hobsonville (no Board)	373	90	..	..	..	.. .. .
New Lynn (no return)	592	147	..	..	..	.. .. .
Ellerslie	947	205	242	266	0 1 ⁽²⁾	April, 1910
Papakura	453	106	144	..	0 1 ⁽³⁾	Nov., 1910
Pukekohe	629	138	160	200	0 1½	July, 1910
Huntly	1,319	268	166	268	0 1	July, 1910
Frankton	1,113	225	286	470	0 1	Aug., 1910
Ngaruawahia	478	103	150	150	0 2½	Sept., 1910
Kihikihi	259	64	82	403	0 0½	June, 1910
Te Awamutu	645	134	150	175	0 0½	July, 1910
Leamington	378	92	146	260	0 0½ ⁽⁴⁾	May, 1910
Raglan	246	54	..	..	0 1	Aug., 1910
Kawhia	157	46	75	92	0 1	.. .. .
Morrinsville	565	138	185	195	0 2½† ⁽⁵⁾	June, 1910
Rotorua	2,390	456	463	570 ⁽⁶⁾
Opoiki	936	224	..	..	0 1½	Sept., 1910
Fitzroy	710	168	260	350	0 1½	Sept., 1910
St. Aubyn	606	146	192	398	0 0½ ⁽⁷⁾	Sept., 1910
Normanby	441	108	149	149	0 3	July, 1910
Manaia	537	129	161	346	0 2½ ⁽⁸⁾	Dec., 1910
Kaponga	384	85	70	100	0 2½	.. .. .
Opunake	488	109	196	..	0 0½	Sept., 1910
Waverley	626	144	137	245	0 1½	Oct., 1910
Castlecliff	620	153	328	352	0 1	Aug., 1910
Gonville	1,557	336	739	766	0 1	July, 1910
Ohakune	743	175	250	330	0 2½ ⁽⁹⁾	June, 1911
Lethbridge	263	62	66	78	1 0 *	July, 1910
Mangaweka	494	135	130	185	0 1	Aug., 1911
Hunterville	658	154	204	244	0 1	May, 1910
Bull's	519	122	126	175	1 2½* ⁽¹⁰⁾	May, 1910
Halcombe	260	82	138	..	1 6 *	May, 1911
Rongotea	313	80	80	135	0 1½ ⁽¹¹⁾	Aug., 1910
Taradale	894	217	210	243	0 1½	Dec., 1910
Ormondville	360	88	146	..	0 1½†	April, 1910
Norsewood (in first year).	..	..	..	..	..	.. .. .
Waipukurau	1,043	224	240	374	0 1½† ⁽¹²⁾	July, 1910
Otane	260	74	112	140	1 6 *	Aug., 1910
Martinborough	631	178	283	420	0 1½ ⁽¹³⁾	May, 1911
Featherston	743	178	180	315	0 3½ ⁽¹⁴⁾	May, 1910
Upper Hutt	1,050	211	448	1,332	0 1	July, 1910
Johnsonville	929	228	237	859	0 1	June, 1911
Havelock	301	69	84	136	0 1½ ⁽¹⁵⁾	Oct., 1910
Mackenzie	191	46	84	151	0 2½	July, 1910
Amberley	346	85	100	121	0 0½	July, 1910
Southbridge	418	90	123	201	0 1½	April, 1910
Hampstead	1,490	334	375	433	0 3½	Oct., 1910
Tinwald	539	120	162	..	0 2½	April, 1910
Pleasant Point	493	132	144	246	0 1	June, 1910
Bay	1,042	234	434	635	0 1	June, 1910
Outram	429	105	76	118	0 0½ ⁽¹⁶⁾	Feb., 1911
Clinton	451	127	124	145	1 0 *	Nov., 1910
Wyndham	663	153	156	376	2 0 *	Aug., 1910
Otautau	744	183	177	274	0 1 ⁽¹⁷⁾	Aug., 1910

* On annual value. † On unimproved value.

(1) ½d. H. and C.A. (2) ½d. special. (3) ½d. separate. (4) ½d. special. (5) ½d. special. (6) 10d. H. and C.A. (7) 1/16d. special. (8) 3/8d. special. 1/4d. separate. (9) Special—1d. over whole district, two rates of 1d. each over two special districts. Separate, 1/16d. for H. and C.A. (10) 8/16d. special. (11) ½d. special. (12) ½d. special. (13) 1 1/16d. special, also (on annual value) 3d. separate. (14) 1 1/16d. water-loan interest; separate, ½d. library; sanitary charge, 1s. per place. (15) ½d. special; water rents equal 1d. (16) Water rate, 7 per cent. on annual value where supplied. (17) 3/8d. special, 3/8d. separate.

ROAD DISTRICTS.—(I.)

TABLE showing the Population and Number of Dwellings as by Census of April, 1911; the Ratepayers, and Rateable Properties, and Rates levied in the Pound on the Capital Annual or Unimproved Value of Rateable Property, in the several Road Districts throughout the Dominion of New Zealand for the Financial Year ended 31st March, 1911.

County and District.	Population (Census, 1911).	Number of			Amount of Rate levied in the Pound on the Capital Value.	Amount of Rate levied in the Pound on the Unimproved Value.
		Dwellings (Census, 1911).	Ratepayers.	Rateable Properties.		
Mangonui (no road districts).					d.	d.
Whangaroa (no road districts).						
Hokianga (no road districts).						
Bay of Islands (no road districts).						
Hobson (no road districts).						
Whangarei—						
Hikurangi	125	26	34	54	0 $\frac{2}{4}$	
Kaurihohore	162	36	46	49	0 $\frac{2}{4}$	
Maungakaramea	318	70	91	82	0 $\frac{2}{4}$	
Marua	257	69	83	125	1	
Otonga	288	61	62	92	0 $\frac{2}{4}$	
Parua	281	70	118	204	0 $\frac{2}{4}$	
Ruarangi	94	32	47	..	0 $\frac{2}{4}$	
Waikiekie	173	49	95	122	0 $\frac{2}{4}$	
Waipu	443	116	172	242	0 $\frac{2}{4}$	
Waipu North	368	94	78	81	1 $\frac{1}{4}$	
Whareora	174	54	58	103	0 $\frac{2}{4}$	
Otamatea—						
Mangawai	303	81	80	90	0 $\frac{1}{2}$	
Mareretu	165	40	123	160	1	
Matakohe	502	109	144	242	0 $\frac{2}{4}$	
Whakapirau (no Board)	335	82	..	..	..
Rodney—						
Albertland North	58	12	38	38	0 $\frac{2}{4}$	
Albertland South	396	100	147	170	0 $\frac{2}{4}$	
Komokoriki	84	13	38	58	0 $\frac{2}{4}$	
Mahurangi East	138	36	..	..	0 $\frac{2}{4}$	
Matakana East	144	28	40	40	0 $\frac{2}{4}$	
Matakana West	219	59	67	67	0 $\frac{2}{4}$ (1)	
Puhoi	450	94	115	..	0 $\frac{2}{4}$	
Warkworth	342	82	95	158	0 $\frac{2}{4}$	
Wharehine	82	28	37	38	0 $\frac{2}{4}$	
Waitemata—						
Kaukapakapa	515	148	193	287	0 $\frac{2}{4}$	
Pukeatua	488	171	253	289	0 $\frac{2}{4}$	
Eden—						
Arch Hill	2,120	450	344	598	15. 0 (2) (8)	
Avondale	2,103	477	564	690	1 $\frac{1}{4}$ (4)	
Eden Terrace	2,595	594	420	510	1 (8)	
Epsom	2,699	583	614	662	0 $\frac{2}{4}$ (6)	
Mount Roskill	1,113	223	290	360	0 $\frac{2}{4}$ (7)	
Mount Wellington	419	96	105	139	0 $\frac{2}{4}$	
One-tree Hill	3,365	674	738	1,057	0 $\frac{2}{4}$ (8)	
Orakei	34	8	15	22	1	
Panmure Township	255	65	74	93	0 $\frac{2}{4}$	
Point Chevalier	1,295	100	109	140	0 $\frac{2}{4}$ (9)	
Remuera	5,284	1,150	1,142	1,455	0 $\frac{2}{4}$ (10)	
Tamaki West	645	161	200	230	1 (11)	
Manukau—						
Awhitu	390	114	130	174	..	2
Drury	488	123	127	196	1	
Howick Township	319	82	130	200	1 (12)	
Hunua	293	68	122	..	..	2 $\frac{13}{16}$ (16)
Karaka	396	88	173	..	..
Mangere	897	186	195	245	0 $\frac{2}{4}$	
Manurewa	423	96	105	120	0 $\frac{2}{4}$	
Maraetai	102	21	26	26	1	
Mauku	631	137	160	190	0 $\frac{2}{4}$ (14)	
Maungatawhiri	286	84	155	169	0 $\frac{2}{4}$	
Mercer	274	64	89	89	0 $\frac{2}{4}$	
Opapeke	337	90	114	142	1 (15)	
Otahuhu	1,847	382	356	450	1	
Pakuranga	278	74	74	99	1	
Papakura	607	122	160	196	..	1 $\frac{1}{2}$ (16)
Paparata	443	98	119	150	1	
Paparoa	204	53	84	90	0 $\frac{2}{4}$ (7)	
Papatoitoti	386	64	60	60	0 $\frac{1}{16}$	
Pokeno	355	84	470	476	0 $\frac{2}{4}$	
Pollok Settlement	111	27	27	32	1	
Pukekohe East	1,199	264	295	364	0 $\frac{2}{4}$ (15)	
Pukekohe West	1,024	266	275	302	1	
Tamaki East	580	150	135	150	0 $\frac{2}{4}$	
Turanga	247	62	86	86	1 (17)	
Waipipi	1,203	261	350	350	0 $\frac{1}{16}$ (18)	
Wairoa	846	187	210	264	1 $\frac{1}{2}$ (19)	
Waiuku	747	166	200	235	0 $\frac{2}{4}$ (20)	
Coromandel (no road districts).						
Thames (no road districts).						
Ohinemuri (no road districts).						

ROAD DISTRICTS.—(I.)

TABLE showing the Population and Number of Dwellings, as by Census of April, 1911; the Ratepayers, and Rateable Properties, and Rates levied in the Pound on the Capital Annual or Unimproved Value of Rateable Property, in the several Road Districts throughout the Dominion of New Zealand for the Financial Year ended 31st March, 1911—*continued.*

County and District.	Population (Census, 1911).	Number of			Amount of Rate levied in the Pound on the Capital Value.	Amount of Rate levied in the Pound on the Unimproved Value.
		Dwellings (Census, 1911).	Ratepayers.	Rateable Properties.		
Waikato—					d.	d.
Cambridge	835	172	153	159	0 $\frac{1}{4}$	
Huntly	813	176	176	321	0 $\frac{1}{4}$ (19)	
Kirikiri-roa	2,399	514	460	650	1	
Tamahere	444	78	73	73	0 $\frac{1}{8}$ (22)	
Whangamarino	820	169	124	223	0 $\frac{1}{4}$ (28)	
Waipa—						
Newcastle	763	165	197	202	0 $\frac{1}{8}$	
Pukekura	1,134	298	208	245	0 $\frac{1}{8}$ (7)	
Rangiaohia	556	116	127	150	0 $\frac{1}{2}$	
Tuhikaramea	207	48	50	57	0 $\frac{1}{2}$	
Raglan (no road districts).						
Awakino (no road districts).						
Waitomo (no road districts).						
Ohura (no road districts).						
Kawhia (no road districts).						
Piako (no road districts).						
Matamata (no road districts).						
West Taupo (no road districts).						
East Taupo (no road districts).						
Rotorua (no road districts).						
Tauranga—						
Katikati	383	101	132	243	..	1 $\frac{1}{2}$
Te Puke	930	197	269	320	..	1 $\frac{1}{4}$
Whakatane (no road districts).						
Opotiki (no road districts).						
Waiapu (no road districts).						
Cook—						
Aroha	48	8	9	9	(1)	
Ormond	437	97	110	180	(1)	
Paūtahi	648	129	169	377	(24)	
Pouawa	180	51	58	60	(1)	
Tarūheru	671	145	128	181	(1)	
Titirangi	132	36	36	65	(1)	
Waimata	284	75	104	104	(1)	
Waikohu (no road districts).						
Clifton (no road districts).						
Taranaki—						
Mangorei	244	48	61	77	0 $\frac{1}{8}$	
Moa	2,915	572	500	560	0 $\frac{1}{4}$	
Oakura	387	85	100	100	0 $\frac{1}{4}$ (25)	
Okato	406	92	102	153	0 $\frac{1}{4}$ (26)	
Henui	20	3	..	..	(1)	
Tataraimaka	150	32	44	44	0 $\frac{1}{4}$ (27)	
Waitara West	833	186	180	480	0 $\frac{1}{4}$ (28)	
Waiwakaiho	343	74	94	110	0 $\frac{1}{4}$	
Werekino	83	14	36	46	0 $\frac{1}{4}$ (29)	
Hawera (no road districts).						
Waimate West (no road districts).						
Eltham (no road districts).						
Egmont—						
Parihaka	1,872	381	530	789	0 $\frac{1}{2}$	
Stratford (no road districts).						
Whangamomona (no road districts).						
Patea—						
Kohi	184	31	44	58	(1)	
Motoroa	35	15	20	24	(1)	
Okotuku	156	30	36	42	(1)	
Wairoa	124	28	52	52	(1)	
Waitotara-Momohaki	476	108	117	183	0 $\frac{1}{4}$	
Whenuakura-Waitotara	363	64	50	50	(1)	
Waitotara (no road districts).						
Kaitieke (no road districts).						
Waimarino (no road districts).						
Wanganui—						
Kaitoke	630	138	142	249	0 $\frac{1}{4}$	
Kaukatea	245	49	48	116	0 $\frac{1}{4}$	
Mangamahu	250	64	73	201	0 $\frac{1}{4}$	
Mangawhero	588	127	172	250	0 $\frac{1}{4}$ (30a)	
Mataongaonga	98	16	21	32	0 $\frac{1}{4}$	
Purua	585	125	102	152	0 $\frac{1}{4}$	
Wangaehu Upper	1,153	242	260	437	1 (80)	

ROAD DISTRICTS.—(I.)

TABLE showing the Population and Number of Dwellings, as by Census of April, 1911; the Ratepayers, and Rateable Properties, and Rates levied in the Pound on the Capital Annual or Unimproved Value of Rateable Property, in the several Road Districts throughout the Dominion of New Zealand for the Financial Year ended 31st March, 1911
—continued.

County and District.	Population (Census, 1911).	Number of			Amount of Rate levied in the Pound on the Capital Value.	Amount of Rate levied in the Pound on the Unimproved Value.
		Dwellings (Census, 1911).	Ratepayers.	Rateable Properties.		
Rangitikei (no road districts).					d.	d.
Kiwitea (no road districts).						
Kairanga (no road districts).						
Oroua (no road districts).						
Pohangina (no road districts).						
Manawatu (no road districts).						
Horowhenua—						
Otaki	1,579	341	372	1,170	0 ⁷ / ₁₆ (20)	
Wairoa (no road districts).						
Hawke's Bay (no road districts).						
Waipawa (no road districts).						
Dannevirke (no road districts).						
Waipukurau (no road districts).						
Woodville (no road districts).						
Patangata—						
Oero	312	57	76	87	0 ⁵ / ₈	
Mangatarata	26	7	20	24	0 ¹ / ₂	
Patangata	258	50	60	120	0 ¹ / ₂	
Porangahau	429	88	112	150	0 ¹ / ₂	
Purimu	56	14	19	20	0 ¹ / ₂	
Tamumu	282	63	39	45	0 ¹ / ₂	
Wallingford	179	32	41	54	0 ¹ / ₂	
Wanstead	134	25	86	..	(1)	
Weber (no road districts).						
Pahiatua (no road districts).						
Akitio (no road districts).						
Castlepoint (no road districts).						
Eketahuna (no road districts).						
Mauriceville (no road districts).						
Masterton (no road districts).						
Wairarapa South (no road districts).						
Featherston (no road districts).						
Makara (no road districts).						
Hutt (no road districts).						
Sounds (no road districts).						
Marlborough—						
Awatere	1,535	343	341	416	..	0 ¹ / ₂
Omaka	1,943	433	500	728	0 ¹ / ₂	
Pelorus	1,642	478	315	600	1 ¹ / ₂	
Picton	851	178	191	395	0 ¹ / ₂	
Spring Creek	845	159	159	198	0 ¹ / ₂	
Wairau	939	190	150	232	0 ¹ / ₂	
Kaikoura (no road districts).						
Collingwood (no road districts).						
Takaka (no road districts).						
Waimea—						
Dovedale	252	65	50	56	(1)	
Moutere Upper	443	103	..	..	(1)	
Riwaka	945	194	..	..	(1)	
Stoke	1,493	353	..	..	(1)	
Suburban North	586	176	..	..	(1)	
Waimea West	321	66	80	80	(1)	
Buller (no road districts).						
Inangahua (no road districts).						
Murchison (no road districts).						
Grey (no road districts).						
Westland (no road districts).						
Amuri (no road districts).						
Cheviot (no road districts).						
Ashley—						
Ashley	710	167	170	300	0 ¹ / ₂	
Cust	601	135	137	214	0 ¹ / ₂	
Eyreton	1,490	318	291	291	0 ¹ / ₂	
Eyreton West	382	81	81	81	0 ¹ / ₂	
Kowai	1,734	415	660	890	0 ¹ / ₂	
Oxford	1,867	475	432	877	0 ¹ / ₂ (21)	
Rangiora	2,287	524	457	700	0 ¹ / ₂	
Waipara (no road districts).						
Selwyn (no road districts).						
Ellesmere (no road districts).						
Halswell (no road districts).						
Heathcote (no road districts).						
Malvern (no road districts).						
Paparua (no road districts).						
Springs (no road districts).						

ROAD DISTRICTS.—(I.)

TABLE showing the Population and Number of Dwellings, as by Census of April, 1911; the Ratepayers, and Rateable Properties, and Rates levied in the Pound on the Capital Annual or Unimproved Value of Rateable Property, in the several Road Districts throughout the Dominion of New Zealand for the Financial Year ended 31st March, 1911—continued.

County and District.	Population (Census, 1911).	Number of			Amount of Rate levied in the Pound on the Capital Value.	Amount of Rate levied in the Pound on the Unimproved Value.
		Dwellings (Census, 1911).	Ratepayers.	Rateable Properties.		
Waimairi (no road districts).					d.	d.
Tawera (no road districts).						
Akaroa—						
Akaroa and Wainui	1,273	278	248	248	0 ⁷ / ₁₆	
Le Bon's Bay	237	69	74	91	0 ⁹ / ₁₆ ⁽⁸²⁾	
Okain's Bay	521	108	109	112	0 ¹ / ₂	
Pigeon Bay	220	56	50	63	0 ¹ / ₂	
Wairewa (no road districts).						
Mount Herbert (no road districts).						
Ashburton—						
Anama	468	108	88	158	0 ⁸ / ₁₆	
Ashburton Upper	2,239	507	620	843	0 ⁵ / ₁₆	
Coldstream	456	106	95	170	0 ¹ / ₂	
Longbeach	1,044	255	269	446	0 ¹ / ₁₆	
Mount Hutt	1,716	442	335	410	0 ¹ / ₂	
Mount Somers	840	198	198	524	0 ⁸ / ₁₆	
Rangitata	713	156	150	270	0 ⁵ / ₁₆	
South Rakaia	1,646	385	356	546	0 ¹ / ₂	
Wakanui	1,162	302	280	324	0 ⁵ / ₁₆	
Geraldine—						
Geraldine	2,500	509	580	920	0 ³ / ₄	
Mount Peel	271	78	133	185	0 ¹ / ₁₆	
Opuha	306	64	..	..	..
Temuka	2,394	538	575	814	0 ⁸ / ₁₆	
Levels (no road districts).						
Mackenzie (no road districts).						
Waimate (no road districts).						
Waitaki (no road districts).						
Waihemo (no road districts).						
Waikouaiti (no road districts).						
Peninsula—						
Otago Heads	135	52	55	108	0 ³ / ₄	
Peninsula	643	145	333	393	0 ³ / ₄	
Portobello	998	323	440	622	1	
Tomahawk	119	31	29	43	0 ³ / ₄	
Taieri (no road districts).						
Bruce—						
Balmoral	763	183	185	185	..	
Inch-Clutha	312	73	..	..	..
Mount Stuart	421	101	117	141	0 ¹ / ₂	
Clutha (no road districts).						
Tuapeka (no road districts).						
Maniototo (no road districts).						
Vincent (no road districts).						
Lake (no road districts).						
Southland—						
Invercargill (no Board)	1,737	414	..	..	..
Wallace (no road districts).						
Fiord (no road districts).						
Stewart Island (no road districts).						
Chatham Islands (no road districts).						

(1) No rate struck. (2) On annual value. (3) 3 ³/₄d. special. (4) ¹/₂d. separate. (5) ¹/₂d. special; ⁷/₄d. separate. (6) ¹/₁₆d. separate. (7) ¹/₂d. special. (8) ¹/₃₂d. special. (9) ¹/₂d. special (not collected). (10) ¹/₂d. special; ¹/₁₆d. separate; also ¹/₂d. H. and C.A. (11) ¹/₂d. special (over part of district). (12) ³/₄d. special. (13) ¹/₄d. special. (14) Special—¹/₂d. and ¹/₄d. Patumahoe Ward, ¹/₂d. and ¹/₄d. West Mauku Ward. (15) ¹/₂d. special. (16) ³/₄d. special. Loan No. I; ³/₄d. special, Loan No. II. (17) ¹/₂d. special; ³/₄d. separate. (18) Special and separate, various. (19) ¹/₂d. H. and C.A. (20) Seven special, various. (21) ¹/₂d. special. (22) ¹/₁₆d. special. (23) ³/₄d. special. (24) No general rate, ¹/₂d. special. (25) ³/₄d. special. (26) Special—³/₄d., Oxford No. 1; ⁵/₈d., Oxford No. 2; ³/₄d. Kaitihi. (27) 1 ¹/₁₆d. special. (28) 1 ¹/₂d. to ¹/₂d. special. (29) 1 ¹/₂d. special over part of district. (29a) ¹/₂d. and ¹/₄d. special. (30) Ten special, various. (31) ¹/₄d. special; separate, 3 ¹/₂d. per acre, Eyre Water-race rate (32) ¹/₄d. special.

COPY OF PROVISIONS AS TO SUBSIDIES TO LOCAL AUTHORITIES IN FORCE IN NEW SOUTH WALES.

161. (1.) The Governor shall, on or before the thirty-first day of December, one thousand nine hundred and six, and every third year thereafter, by Proclamation, declare the class within which each shire shall be placed respectively; and in determining the class of each shire the following matters shall be taken into consideration:—

- (a.) The extent of the shire;
- (b.) The probable annual revenue derivable from a rate of one penny in the pound on the unimproved capital value of rateable land in the shire;
- (c.) The necessary annual expenditure;
- (d.) The extent of the roads to be made and maintained;
- (e.) The difficulty of construction and maintenance of roads and other public works;
- (f.) The facilities to be afforded to vehicular traffic;
- (g.) The extent of public works maintained by the Government;
- (h.) The extent of Crown lands (other than parks or reserves for public recreation) from which the Council will receive no rates, and the existence of which in the shire involves expenditure by the Council on road-construction, or in other ways.

(2.) There shall be payable out of the consolidated revenue, for the endowment of the shires in every year, a sum not less than one hundred and fifty thousand pounds, to be appropriated by Parliament for such purpose and paid to the shires on the following basis:—

- (a.) The endowment of a shire of the first class shall be such sum, not exceeding ten shillings in the pound on the proceeds of the general rate received by the Council during the next preceding year, as the Governor may determine: Provided that in any case in which the Governor does not consider that the necessities of the shire warrant the payment of an endowment, no endowment shall be paid;
- (b.) The endowment of a shire of the second class shall be fifteen shillings in the pound on such proceeds;
- (c.) The endowment of a shire of the third class shall be twenty shillings in the pound on such proceeds;
- (d.) The endowment of a shire of the fourth class shall be twenty-five shillings in the pound on such proceeds;
- (e.) The endowment of a shire of the fifth class shall be thirty shilling in the pound on such proceeds;
- (f.) The endowment of a shire of the sixth class shall be such sum, not less than forty shillings in the pound on such proceeds, as the Governor may determine.

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