

as well as those of my own Department, are making a genuine effort to enable the system to fulfil the anticipations of those who were instrumental in bringing it into being.

Since the first declaration of highways, on the 9th June, 1924, some modifications have been made so that the total length of main highway now equals 6,008 miles, of which 1,362 miles have been declared Government roads. The fact that these roads are Government roads does not necessarily mean that the Government controls and maintains them, though this is the case on 703 miles. In other cases the local authorities are still finding a considerable proportion of the cost of construction and maintenance, but the Government, through the Highways Board, is finding more than the ordinary £1 for £1 or £1 for £2.

Owing to the difficulty which local authorities have found in borrowing the necessary sums for highway work, as much work as was expected has not been done. Furthermore, as in many cases the work which is being undertaken is of a special nature, introducing the use of better systems of surfacing than has been the case in the past, a considerable amount of investigation and consultation has been necessary before finality was arrived at. Therefore, the amount of work actually done on the roads in the way of new construction has not been as great as might have been expected, and is considerably less than that for which money was provided. However, apart from new construction, the additional money which the maintenance payments of the Highways Board provided towards the assistance of local-body maintenance has resulted in quite a marked improvement in the standard of maintenance of many districts. In addition to finding money, the Board has carried on propaganda having for its object the pressing on those controlling the roads the necessity for better maintenance, it being pointed out that, in accordance with the old adage, "A stitch in time saves nine," money judiciously spent on maintenance will enable a road quite adequate for the business traversing it, and comfortable to those using it, to be maintained without the necessity for the expenditure of large sums of borrowed money on reconstruction. Some local authorities, feeling the difficulty of obtaining borrowed money at the allowable rate of interest, have negotiated a bold policy of doubling, or at any rate greatly increasing, their rates, so as to provide their subsidy with which to take up the Board's pound for pound assistance towards new works. This is a sound policy, and will result in much improvement of the highways without passing on to posterity a load of debt which might last far longer than the road to build which it was incurred. Although roads have not been declared main highways through boroughs, except in two or three very special cases, the Board has found it possible with the funds at its disposal to give assistance to boroughs of not more than six thousand inhabitants to an extent equal to that given to the adjoining rural bodies where routes of through traffic pass along borough streets.

FLOOD DAMAGE.

I regret that it is again necessary to state that on account of exceptional floods damage to roads and bridges has been very considerable. The Department's expenditure under this heading for the past year again, unfortunately, constitutes a record. In very many cases the cost of restoration was quite beyond the resources of the local bodies, and the Government was appealed to for liberal assistance. I desire to point out in this connection that the granting of Government assistance for restoration of flood damage is very closely controlled. The Department's ever-increasing expenditure under flood damage might indicate the development of a policy whereby all damage due to floods, even of a more or less trivial nature, is subsidized. This is by no means the position. Every application for Government aid is very carefully investigated by the Department, and before any subsidy is approved the local body's ability to meet the cost of restoration from its own financial resources, and the question whether or not any or all of the damage can rightly be attributed to neglected maintenance, ill-considered design, faulty constructional work, or to causes beyond the reasonable provision of the local authority, are carefully gone into.