4. In the event of the money not being applied to the purpose for which it has been obtained, the money found by the audit to have been so misappropriated shall be a debt due to the Crown by each and all the Councillors who consented to or permitted such misappropriation.

5. No further grants under the Act shall be made to such local body until the matter has been

reported to Parliament.

Captain Mackenzie to move,-

That in future the distribution of money for main roads be made to depend upon the valuation for property-tax within each county; and that the extent and cost of main roads already constructed at the public cost be taken into consideration, as well as the amount of subsidies paid.

Mr. MITCHELSON to move,-

That the present system of distribution of grants to the local bodies under the Roads and Bridges Construction Act is manifestly unfair to a number of local bodies throughout the country, and that the Government be requested to amend the Act during the recess, so as to prevent a repetition of the same; and that this Committee do recommend to the Government the necessity of adopting some fairer means of distributing this year's grant; and that the Treasurer shall pay to each local body making application a certain sum, from five to ten thousand pounds, for each hundred miles of main road in the respective districts.

Captain Mackenzie to move,-

That no alteration of the pro rata system be made retrospective.

That all "great bridges" upon roads which are clearly seen to be necessary for the traffic between different parts of the colony, and which have been paid for in great measure out of the State funds, should be taken by the Public Works Department and maintained by Government.

3. General Suggestions.

Mr. Sutton to move,—

That the Act be amended by excising therefrom all power to obtain any grant for main roads by any other means than is provided by clause 18. That the clauses affecting district roads be not interfered with.

Mr. Larnach to move.-

In the second line of clause 7 of the Act to leave out all the words after Council-" before the 31st day of March in any year."

Captain Mackenzie to move,

An alteration of the Act to enable Councils to claim grants in aid of the main roads which were proclaimed such in the Gazette this year but have not yet been approved by the House.

Mr. Postlethwaite to move,-

That this Committee recommends that clauses 12 and 18 of the Roads and Bridges Construction Act shall read "one-half" and not "three-fourths"; also that, instead of ten years for repayment, it shall not exceed five years.

Mr. Beetham to move,-

That grants under the Roads and Bridges Construction Act should be made with special reference to each particular highway district through which a main road passes for which an appli-

cation for a grant is made.

That all applications should have priority when the highway and county rates levied in the highway district are highest, viz.: All highway districts paying a shilling local and a shilling county rate should be placed first and their application granted, then those next highest should come next. and so on. No district, where the county and highway rates combined do not reach one shilling and sixpence in the pound, should have their applications considered at all. By this plan the grants under the Act would go to assist those ratepayers only who were willing to tax themselves the most heavily, thereby insuring a fair expenditure of the grant in those districts where it is most required and would be most appreciated.

Mr. Sutton to move,-

That Mr. Beetham's motion be altered to read as under,-

That grants under the Roads and Bridges Construction Act should be made with special reference to each county through which a main road passes for which an application for a grant is made.

That all applications should have priority when the county rates levied in the county are highest, viz.: All counties paying a three-farthings' county rate should be placed first and their application granted, then those next highest should come next, and so on. By this plan the grants under the Act would go to assist those ratepayers only who were willing to tax themselves the most heavily, thereby insuring a fair expenditure of the grant in those districts where it is most required and would be most appreciated.

Mr. Shephard to move,-

That applications shall have precedence in the distribution of funds in the following order:-

(1.) Extraordinary damage (section 35).

(2.) Erection of bridges.(3.) Formation of roads.