

30. With regard to secondary fire districts, the parliamentary Committee made no recommendation as to the financing of brigades in towns below the fire-district standard. The proposal of the administrative organizations for a pound-for-pound subsidy has therefore been adopted, but with the limitation of the subsidy to £100 per annum. The Council will levy on underwriters and Government in the proportions applying over the whole Service (50 : 15). The actual provision is that the underwriters will pay 77 per cent. and Government 23 per cent. of the subsidy. In cases where the annual expenditure does not exceed £200 the funds would, under this arrangement, be provided in the proportions : local authorities, 50 : underwriters, 38·5 : Government, 11·5. If the total expenditure exceeds £200 the local authority would be responsible for the whole of the additional cost. The justification for this latter provision is that the standard of fire protection possible in the absence of an adequate water-supply reticulation is below that obtainable in a fire district. It therefore does not justify the same percentage contribution from the underwriters.

Effect on Insurance Companies

31. Some comment is desirable as to the effect on the underwriters of the above financial proposals. Under the existing legislation they pay 49·2 per cent. of the annual costs of the Fire Boards (see table), but nothing whatever in respect of the towns and urban districts shown in the Schedules. The proposals of the draft Bill are more favourable than the recommendations of the parliamentary Committee, since the State housing contribution, which in the coming year is estimated to reach $2\frac{1}{2}$ per cent. of the total cost of the Service, is deductible from the proposed underwriters' contribution of 50 per cent. It is conceded that, apart from the probable increase in operating-costs in existing fire districts, the proposals of the draft Bill will involve increased expenditure by the underwriters in the country towns. The underwriters, however, must benefit from the improved service made possible by these extra contributions, and also from the fire-protection service to be given in rural areas. It is also to be noted that if no amending legislation is passed the increasing costs of the Fire Service will inevitably force the formation of Fire Boards in most of the larger country towns. Several applications have, in fact, been held over pending the proposed legislation. The underwriters are faced by practically the same expenditure in either event and can obtain the best return from a properly co-ordinated scheme.

MACHINERY PROVISIONS FOR RURAL FIRE PROTECTION AND EMERGENCY

32. The draft Bill provides that the central authority shall be responsible for the establishment of a national system of rural fire protection and of reinforcement between brigades and for the provision of a chain of authority to control the assembly and operation of brigade units under emergency conditions. It authorizes the Council to issue requisitions on the owners and occupiers of commercial and industrial premises in rural areas and, if necessary, to determine which brigades will provide fire protection for these premises. The Bill also provides for the making of regulations prescribing the registration fees for premises in rural areas and the charges to be made for brigade attendances. It authorizes appropriate expenditure by the Council, and defines the responsibility in respect of rural fire protection of the territorial local authorities.

SUPERANNUATION FOR FIRE-BRIGADESMEN

33. Provision is made for the Council and every brigade-controlling authority to be deemed a local authority for the purpose of providing superannuation for its full-time employees in terms of the National Provident Fund Act, 1926. Machinery provisions are prescribed, and provision is made that in assessing contributions due regard shall be taken of the cost of providing for the inclusion of full-time Fire Service prior to the commencement of the Act as service in the assessment of pensions. Provision is also made that any contributor may at any time give notice of his intention to discontinue contributing to the Fund.