

81. *The Chairman.*] It simply means that every word of the correction has not been put in the draft?—This draft was the original one, and these things are subject to perpetual revision. We add a little bit of word-painting here and there.

82. *Mr. Russell.*] Will you state exactly where the wording of the law of 1908 departs from the wording of the law in 1885?—I can do that.

83. I mean where it differs, either by omission, addition, or subtraction?—It will take a long time. Do you wish it done?

84. I do. My question has reference only to this particular point, not to the whole schedule?—I understood that you referred to the whole schedule. I understand that I am to limit what I say now to the final paragraph of the old schedule?

85. Yes, that will do?—In the first place the words “Provided that” go out. It is not treated as a proviso, but as a clause. The next words are common to both—“no greater sum in all than.” Then the £10,000 is divided by four and is reproduced as £2,500. The words “shall be paid” are common to both. Then the old Act goes on “in any one year.” Those words are omitted in the new Act, because it is an Appropriation Act and is therefore an annual thing; they would be improper in an annual Act. “In respect of the total amount of general rates levied and collected altogether by the Road Boards in the road districts and by the County Council in the outlying districts in any county, and in the ridings by the last proviso.” Those words are omitted and are replaced by the words “in respect of any county and its road districts.” Then all the words following are common to the two—“and when the total amount of subsidy that would be payable in respect of the total amount of general rates collected as last aforesaid” (“last” is taken out) “shall exceed £10,000” (“shall exceed” becomes “exceeds,” and £10,000 is reduced to £2,500), “then the total amount of subsidy to be payable to the Road Boards and County Council shall be apportioned *pro rata* according to the amount of general rates collected as aforesaid by such Road Boards and the County Council respectively.” All those words are in common, without alteration.

86. *Mr. Allen.*] Is not that an alteration in the law—“in respect of any county and its road districts”?—No. If you examine the words omitted, you will see that it covers exactly that ground.

87. *Mr. Russell.*] What is the effect, then, of striking out these words from the 1885 schedule, “by the last proviso”?—The effect would be that they would be deprived of subsidy if something were not put in its place.

88. But what would be the legal effect? You see that in the Act of 1885 there are these words, “and in the ridings by the last proviso”?—That is the contemplated subsidy payable to the county, and is therefore covered by the words in the 1908 Act, “in respect of any county and its road districts.”

89. *Mr. Allen.*] Does not the alteration in the 1908 Act put the county and the road districts together, and limit them together, instead of limiting them separately?—The old Act did exactly the same thing—“no greater sum in all than £10,000 shall be paid in respect of the total amount of general rates levied and collected altogether by the Road Boards in the road districts and by the County Council in the outlying districts in any county, and in the ridings.”

90. Three different things?—Three different things all added together, and there are two different things added together here which cover exactly the same ground.

91. *Mr. Russell.*] Under the first proviso of subsection (b) of the Act of 1885, was there any concession in the way of subsidy that was payable to the ridings that is not re-enacted in the Act of 1908?—No, it is exactly the same. If it is payable in the riding it is payable in respect of the county.

92. Do you mean, then, that the first proviso in the Act of 1885, subsection (b), was of no value?—No, I do not say that. I have reproduced it here as section 3 of the 1908 schedule.

93. If there was something in that first proviso, and by striking out the words “by the last proviso” you have not re-enacted what was in the first proviso, is not that one of the means by which the mistake has been made?—Undoubtedly not. I repeat that the words in the 1908 Act that I have read—“in respect of any county and its road districts”—cover the whole ground. There could be nothing else: Town Boards are dealt with under another part of the schedule. Those words “in respect of any county and its road districts” must cover the whole ground and include what was before split up into three—the Road Board, the county, and the riding of the county under a certain proviso.

94. *Mr. Massey.*] Did I understand you to say that those payments were made illegally for some years prior to the passing of the Act of last year?—I say that if any payment was made in excess of £2,500 for a county, it must have been illegally done.

95. In spite of the fact that the vouchers were signed by the Valuer-General?—I am not suggesting that the illegality was intentional. I am only saying, speaking academically, that an excess is illegal.

96. Do you still think, in spite of the fact that the vouchers were signed by the Valuer-General and that the payments were passed by the Auditor-General—do you still think that the payments you refer to were illegal?—I should say so, yes.

97. I want you to follow me now, and see that I quote this correctly. Section 2 of the Sixth Schedule to the 1908 Act, subsection (i) of subsection (c)—“When the general rates actually collected by the Road Board in the road district do not exceed a total sum of £500, then a sum equal to 10s. for every £1 of such rates.” That is quite clear?—Yes.

98. Is that qualified by any other part of the schedule?—No, the £500 will not be qualified.

99. I am speaking of the 10s. in the pound?—No, that will not be qualified, because it is too small to come up to anywhere near the maximum.

100. Then, in the case of a Road Board where the rates collected do not exceed £500, you are of opinion that the proper subsidy would be 10s. in the pound?—Yes.