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 or 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 3¾ 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 Committtee 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.