

The PRESIDENT understood the position to be this: Directly the borough was merged into the county, subsidy was payable exactly the same as on the rest of the county. No district was to lose any portion of its subsidy by merging into the county. Did Mr. Stewart now think it necessary to push his amendment?

Mr. STEWART.—No.

Mr. Stewart's amendment withdrawn, and clause 4 of No. 2 Committee's report—"That the system of subsidies to boroughs be continued, and in case of their merging in counties the subsidies for the boroughs so merged should be continued to the counties"—agreed to.

The PRESIDENT said they would now take clause 7 of No. 1 Committee's report. Was he to accept it as a suggestion of Mr. Jull's that the word "annually" be struck out?

Mr. A. E. JULL (Hawke's Bay) said there was a good deal more than "annually" in it, was there not?

The President said, No; he thought Mr. Jull's objection was completely removed by striking out the word "annually." All that Mr. Jull wished to prevent was an annual revision.

Mr. Jull said, No. Supposing they took out "annually," it would mean that Parliament would decide what sum was available for subsidies to local bodies.

The PRESIDENT asked who else was to decide but Parliament.

Mr. JULL said he meant that it would not be wise to have a stated sum set apart, because if so they would not be able to give the subsidy in accordance with any alteration in the general rate. If the general rate increased or diminished the subsidy should increase or diminish accordingly.

The PRESIDENT thought Mr. Jull's position was quite clear, and would be met if they struck out the word "annually," so far as this clause was concerned. Would Mr. Jull move that?

Mr. JULL said he would sooner move the clause in No. 3 Committee's report, "The Committee recommends that a change in the basis of subsidies for counties is desirable, that the necessities of all districts should be fully considered, and is disposed to favourably consider the general lines of the scheme in force in New South Wales as referred to by the Minister in his speech."

The PRESIDENT said there was very little difference between the two.

Mr. STUDHOLME (Ashburton) said, before they dealt with that point he would like to move an amendment in clause 7 of No. 1 Committee's report—namely, that the words "rather than" in the first sentence be struck out, in order to insert "as well as." While approving of this resolution No. 7, he thought the words "rather than" were objectionable, because if they were allowed to remain in the clause they might lead the Government to the erroneous conclusion that the principle hitherto adopted, that the amount of help which was to be given to local bodies should depend in the main on the extent to which they were prepared to help themselves, was no longer the opinion of the Conference. Although in his opinion they should certainly give some consideration to the necessities of each district, allowing those necessities to weigh with them in the distribution of these subsidies, he did think they should continue to let the amount of self-help in the district—namely, the contribution by way of rates—weigh more largely in the distribution of the subsidies than any other consideration. If they allowed any other consideration to have more weight than this, the results would be disastrous, in the way of expenditure, and they would be adopting a very bad principle. He therefore moved the insertion of the words "as well as" in place of "rather than."

The PRESIDENT desired to say, with regard to the amendment that had been moved by Mr. Studholme, that even under the New South Wales system the actual subsidy payable was on the rates that were collected. He therefore had no objection to Mr. Studholme's proposal. It cleared up the position. He would put the amendment moved by Mr. Studholme.

Mr. JULL rose to a point of order. He had moved as an amendment the substitution of the clause in the report of Committee No. 3.

The PRESIDENT did not know that Mr. Jull had moved this; he thought he had only suggested it. There appeared to him (Hon. Mr. Russell) to be very little difference between the two clauses. He would put Mr. Jull's motion, "That the Conference proceed to consider clause 6 of the report of Committee No. 3."

Motion negatived.

Mr. STUDHOLME's amendment to clause 7 of No. 1 Committee's report, that the words "rather than" be struck out, and "as well as" inserted in lieu thereof, agreed to.

Mr. Jull's amendment, that the word "annually" be struck out, agreed to.

Mr. D. J. WILLIAMS (Buller) said that in the provision that had been made certain districts had been forgotten. His remarks applied more to clause 4 of Report No. 1 than clause 7. He wanted the words added, "That the Minister give special attention to the needs of mining districts."

The PRESIDENT.—What! In addition to the gold duty?

Mr. WILLIAMS said there were needs in these districts that were not provided for. The gold duty in his district did not in any way come up to their valuation. Alluvial-mining companies were working in the backblocks, and if a reef was discovered it was necessary that a road should be made, but under the Bill there was no provision for such roads. The matter would probably be dealt with in a Bill under Mr. Colvin's charge, but a resolution by the Conference drawing attention to the matter would not be out of place.

The PRESIDENT thought Mr. Williams could trust the Minister of Mines (Mr. Colvin) to look after the particular interests of the mining districts in this direction.

Mr. H. LOWE (Thames) desired to indorse the remarks of the previous speaker. Speaking of his own district, Waihi was at one end of the peninsula, and at the other end there was a district that brought in practically no money whatever. It would be practically impossible from the small amount brought in by the rates to attend to road requirements. In the districts of Thames and Coromandel there were scarcely any mines working at all. He was not complaining on behalf of the borough, but the county.